International Labour Conference
89th Session 2001

Report V (2)

Promotion of cooperatives

International Labour Office Geneva

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LIST OF RECURRING ABBREVIATIONS

Austria	BfT	Chamber of Agriculture of Tyrol
	LuFAS	Agricultural and Forestry Employers' Association of Salzburg
	PKLK	Presidents' Conference of the Chambers of Agriculture of Austria
Azerbaijan	AEC	Azerbaijan Entrepreneurs' Confederation
	ATUC	Azerbaijan Trade Union Confederation
Barbados	BWU	Barbados Workers' Union
Belgium	CNT	National Labour Council
Brazil	CNC	National Confederation of Commerce
	CNI	National Confederation of Industry
	OCB	Association of Brazilian Cooperatives
Burkina Faso	CNPB	National Employers' Council of Burkina Faso
	CNTB	National Confederation of Workers of Burkina Faso
Chad	CST	Confederation of Unions of Chad
Chile	CPC	Confederation of Production and Commerce
Croatia	SSSH	Union of Autonomous Trade Unions of Croatia
	URSH	Association of Workers' Trade Unions of Croatia
Denmark	FDC	Federation of Danish Cooperatives
Egypt	FEI	Federation of Egyptian Industries
	ETUF	Egyptian Trade Union Federation
Estonia	EAKL	Estonian Association of Trade Unions
Finland	Palvelutyönantajat	Employers' Confederation of Service Industries in Finland
	Suomen Yrittäjät	Federation of Finnish Enterprises
	TT	Confederation of Finnish Industry and Employers
	SAK	Central Organization of Finnish Trade Unions

	STTK	Finnish Confederation of Salaried Employees
	Pellervo	Confederation of Finnish Cooperatives
France	CFDT	French Democratic Confederation of Labour
	GNC	National Association of Cooperative Federations
Germany	BDA	Confederation of German Employers' Associations
Ghana	GEA	Ghana Employers' Association
	TUC	Trades Union Congress
Greece	PASEGES	Pan-Hellenic Confederation of Unions of Agricultural Cooperatives
Italy	Confcooperative	Confederation of Italian Cooperatives
	Legacoop	National League of Cooperatives and Mutual Associations
Japan	NIKKEIREN	Japan Federation of Employers' Associations
	JTUC-RENGO	Japanese Trade Union Confederation
Jordan	ACI	Amman Chamber of Industry
	FJCC	Federation of Jordanian Chambers of Commerce
	GFJTU	General Federation of Jordanian Trade Unions
Lebanon	MHC	Ministry of Housing and Cooperatives
	NFC	National Federation of Cooperative Societies
Malaysia	MAPA	Malayan Agricultural Producers' Association
	MEF	Malaysian Employers Federation
	MTUC	Malaysian Trades Union Congress
	ANGKASA	National Co-operative Organisation of Malaysia
Malta	MEA	Malta Employers' Association
	GWU	General Workers' Union
	UHM	Union Haddiema Maghqudin
	AOC	Apex — Organisation of Co-operatives
Mauritius	MLC	Mauritius Labour Congress
Mongolia	CMTU	Confederation of Mongolian Trade Unions
Morocco	ODC	Office for Cooperative Development
Panama	CACPYMER	Small and Medium-sized Enterprise Services Cooperative

Philippines	BLE	Bureau of Local Employment
	ILS	Institute for Labor Studies
Poland	OPZZ	All-Poland Trade Union Alliance
Spain	CCOO	Trade Union Confederation of Workers' Committees
	CIG	Galician Inter-Union Confederation
Sri Lanka	MCD	Ministry of Co-operative Development
	CCE	Ceylon Co-operative Employees' Federation
Switzerland	UPS	Confederation of Swiss Employers
Tanzania, United Republic of	TFTU	Tanzania Federation of Free Trade Unions
Trinidad and Tobago	ECA	Employers' Consulting Association
	CCUL	Co-operative Credit Union League of Trinidad and Tobago
Ukraine	ASMPEU	Association of Small, Medium-sized and Privatized Enterprises of Ukraine
	TUWAIU	Central Committee of the Trade Union of Workers of the Agro-Industrial Complex of Ukraine
United Arab Emirates	FCCI	Federation of Chambers of Commerce and Industry

INTRODUCTION

At its 274th Session (March 1999) the Governing Body of the International Labour Office decided to place on the agenda of the 89th Session (2001) of the International Labour Conference the question of the promotion of cooperatives.

In accordance with article 39 of the Standing Orders of the Conference, which deals with the preliminary stages of the double-discussion procedure, the office drew up a preliminary report,[1] intended to serve as a basis for the first discussion of the question. The report contains an introduction to the question, an examination of the changing environment of cooperatives in developing, transition and industrialized countries and an analysis of the prerequisites for success in the promotion of cooperatives based on the law and practice in various countries. The report was accompanied by a questionnaire and was communicated to the governments of member States of the ILO, which were invited to send their replies so as to reach the Office no later than 30 June 2000.

At the time of drawing up the present report, the Office had received replies from the governments of the following 95 member States: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Kuwait, Lebanon, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Some replies arrived too late to be included in their entirety in the report; however, essential elements of these late replies have been included as far as possible. All replies received by the Office may be consulted by delegates at the Conference.

The governments of the following 60 member States stated that their replies had been drawn up after consultation with employers' and workers' organizations, and some included in their replies the opinions expressed on certain points by these organizations, or referred to them: Argentina, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Brazil, Bulgaria, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Cuba, Cyprus, Czech Republic, Denmark, Ecuador, El Salvador, Estonia, Finland, Ghana, Hungary, Indonesia, Iraq, Italy, Japan, Jordan,

[1] ILO: *Promotion of cooperatives*, Report V(1), International Labour Conference, 89th Session, Geneva, 2001.

Kenya, Kuwait, Lebanon, Lithuania, Mali, Mauritius, Mexico, Republic of Moldova, Namibia, Nepal, Nicaragua, Norway, Oman, Peru, Philippines, Poland, Romania, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Togo, United States, Zimbabwe. Other governments sent separately the observations from employers' and workers' organizations without referring to them, and in some cases replies were received directly from employers' and workers' organizations. Owing to the nature of the subject under discussion replies were also received from a number of national cooperative organizations.

This report has been drawn up on the basis of the replies received, the substance of which, together with brief commentaries, is given in the following pages. The Proposed Conclusions appear at the end of the report.

REPLIES RECEIVED AND COMMENTARIES

This section contains the substance of the replies to the questionnaire which accompanied the preliminary report. Each question is reproduced and followed by a list indicating the governments that replied to it, grouped in accordance with the nature of the replies (affirmative, negative or other). Where there is an observation qualifying or explaining the reply, the substance of each observation is given, in alphabetical order of countries, after the abovementioned list. Where a reply deals with several questions, or refers to an earlier question, the substance of the reply is given under the first of these questions and is only referred to in the other questions. The replies are followed by brief Office commentaries referring to the corresponding point(s) of the Proposed Conclusions at the end of this report.

Some governments gave information on their national law and practice in their replies. While this is most useful for the work of the Office, this information has not been reproduced unless it is necessary to understand the reply. Affirmative or negative replies from employers' and workers' organizations that are not accompanied by remarks are quoted only when they are contrary to the reply from the government, or when the government has not replied to the question.

General observations

Belgium. The development of cooperatives in the context of globalization will inevitably give rise to a dilemma: how might cooperatives reach the required size and obtain the necessary means while still retaining the essential characteristics that are part of their attraction? While globalization forces us to reason in increasingly broader terms, the simultaneous development of a countervailing tendency needs to be taken into account: in efforts to combat social exclusion and promote employment, for example, the importance of local and grass-roots activities is often emphasized. This is an area which favours cooperative activity. However, to fill this social role, particularly given that by definition their primary objective is not to make a profit, cooperatives need support from the authorities. This implies finding an equitable relationship between commercial enterprises and cooperatives (and other comparable actors), and providing the latter with the means to develop their activities. It is here that a new concept of the role of the State and decentralized authorities needs to be defined. The discussion on cooperatives will therefore contribute to the current global thinking with regard to the definition of a new social contract.

National Labour Council (CNT): The CNT notes that the introduction to the report in question presents the revision of Recommendation No. 127, as proposed by the ILO, as having a twofold objective: to adapt it to the changes that have occurred since 1966 in the concept of development and the role that the cooperatives can play in this area in developing countries, and to extend the revised standard to the transition countries, i.e. the former communist countries, and to the industrialized countries, where, according to the ILO, cooperatives have a new role to play. The concept of cooperatives covers a wide range of situations, depending on the country in question — and this is clearly highlighted in the report — and cooperatives' role in

development varies according to whether they are in developing countries, transition countries or industrialized countries. The CNT believes that the discussion that will take place at the international level with regard to the possible updating of Recommendation No. 127 should not lessen the significance of this instrument for those countries in which cooperatives form an essential component of development. It also considers the objectives defined in the questionnaire important and fully supports them. However, it believes that the cooperative is not necessarily the only legal structure through which these objectives can be attained. The objectives should be given more importance than the structure through which they are achieved.

Croatia. It is most important to formulate national policies that will, in today's competitive environment, promote cooperatives and enable them to participate in the market. Within such policies, modalities should be established by which the government would ensure equal treatment of all the actors on the market. For example, the provision of easier access to credit facilities for cooperatives, which member States' policies should include under current international standards, may give rise to discrimination.

Finland. Especially regarding the management of local services, the cooperative model offers a good basis for the developing countries at this stage of economic development. The boundaries of limited companies in the context of tight competition will soon be reached in this sphere. The cooperative model could be developed more strongly as a form of organization of civil society. It has many advantages compared with the traditional organizations of civil society. The ILO report underlines the role of the State in cooperative activities. The State has a general responsibility for the development and updating of the functioning of social institutions. This also applies to the cooperative form of organization. Cooperative organizations cannot, however, have any special status; the regulation of their activities should, as a rule, be based on equality with other business activities. This is also the case of minimum terms of employment of persons engaged in cooperatives. The State must maintain a favourable environment which promotes the functioning of the cooperative model and extends this form of organization to the social sector as well. The advanced service and benefit systems of welfare states are constrained by the gap between the employed and the unemployed. For reasons of expediency, access to benefits and services is tied to conditions whereby the applicant's position is defined in "either/or" terms. Groups in a weak position on the labour market, such as the long-term unemployed and the disabled, may suffer as a result. Often different combinations of subsidy and wages are needed as a temporary solution to help them find employment. Subsidized employment and social enterprises have been necessary to fill the gaps in existing benefit and service systems or to improve the position of the most vulnerable social groups. It is hoped that new enterprise models will strengthen employment in such third-sector activities where conventional business activity does not fit naturally. The question of non-profit-making activities seems to constitute the basic guideline in cooperative activities and in social business activity. Non-profit-making activities often seem naturally suited to the social and health care sector. Health and participation cannot be regarded as only for those with earned and other income. The ILO Recommendation and cooperation with other international organizations are likely to help national efforts to promote employment. The development of one's own systems can benefit from comparative study. A terminological survey will ultimately turn out to be to the benefit of better regulation.

France. General Confederation of Labour — Force Ouvrière (CGT-FO): The social economy reconciles economic and social concerns in a shared vision, giving priority to human beings over capital, through specific organizations that include cooperatives. Cooperatives worldwide have had to face major challenges in the 1980s, and these may be expected to increase in the coming decades with the deep-rooted changes affecting people's lives throughout the world: rapid demographic growth, mounting pressure on the environment, concentration of economic power in the hands of a minority of the world's population, the worsening poverty

cycle and ethnic conflict. While it is clearly recognized that governments must endeavour to promote the role of cooperatives while respecting their specific characteristics, their uniqueness and their aims, at the same time they should not interfere in their operations. The cooperative movement, which is an integral part of the social economy, is closely linked to the trade union movement. It is in this spirit that we can affirm that the founding values underlying the cooperative movement make it a natural partner of our trade union organization, provided that the respective roles of each are clearly established without any ambiguity. As a fully-fledged actor in economic and social development at the local, national and international levels, the cooperative movement deserves a legal and institutional framework commensurate with its potential and aspirations. Equality of treatment and free competition should lead to the implementation of impartial policies that nevertheless respect the special characteristics and values of cooperatives. There is no denying that cooperatives have a constructive role to play in economic life and civil society by promoting entrepreneurship and wealth generation. Governance — the cornerstone of the cooperative movement — is still key to their success, but requires more investment in training. Because of its composition, the ILO has its own contribution to make to the development of the cooperative movement.

National Association of Cooperative Federations (GNC): It is incorrect to conclude that French cooperatives do not belong to the private sector, based on a distinction between the "private sector" and the "social economy". They are part of the private sector, but can still claim to be part of the social economy, which differs from capitalistic enterprises in that it is based on the commitment of individuals and practises a form of management that is democratic, transparent and participatory. The distinction between non-profit and not-for-profit organizations is an interesting one, and is based on the general understanding of the English term "not-for-profit organization". Some additional clarification may be necessary here, since the concept "*sans but lucratif*" in French is used for organizations which realize no profit; this does not apply to cooperatives, which generally have to generate a surplus and pay interests on shares. It would be helpful to draw a distinction between the share capital (or capital stock — *capital social* in French) and shareholders' equity (*capitaux propres*), since it is a characteristic of cooperatives that they create indivisible reserves allowing development and continuity from one generation to the next. Without ruling out other innovative mechanisms for raising capital, and with due regard to the principle of limiting the interest paid on shares (reaffirmed by the International Co-operative Alliance (ICA) Congress in 1995), legislators should encourage the systematic formation of indivisible reserves as a means of promoting the development of cooperatives.

Japan: Considering that cooperatives can fulfil various roles at each stage of social and economic development and that more than 40 years have passed since Recommendation No. 127 was adopted, it is appropriate to revise the Recommendation to adapt to the changing times.

Switzerland: Confederation of Swiss Employers (UPS): The issue of the promotion of cooperatives, as the report suggests, concerns first and foremost the developing countries and those in transition. In the case of Switzerland, a legal framework already exists in this area. We therefore see no reason, as far as Switzerland is concerned, to adopt any new standards in this area.

I. Form of the international instrument

Do you consider the International Labour Conference should adopt a new international instrument concerning the promotion of cooperatives? **Qu. 1**

Total number of replies: 95.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Czech Republic, Denmark, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Lebanon, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: None.

Other: Chad, Cyprus, Kuwait.

Argentina. The problem of unemployment requires that national governments devote attention to the promotion of cooperatives.

Azerbaijan. Taking into account the political, economic and social changes that have taken place and have affected the conditions under which cooperatives operate.

Bahamas. This will provide an opportunity to incorporate the new and varied trends in economic development.

Barbados. Barbados Workers' Union (BWU): Yes. Over the past 30 years several environmental changes have taken place which have had a serious impact on the way in which cooperatives operate. Recommendation No. 127 is limited to the developing countries. Cooperatives also have a role to play in industrial countries and in the former communist countries.

Belgium. Particularly in view of cooperatives' contributions to employment and development policies.

Brazil. Given the radical changes in the world of work and the growth of the cooperative movement, particularly in labour, it is important to adopt a new international instrument on this subject.

National Confederation of Commerce (CNC): The topics which require regulations to govern specific circumstances, as in the promotion of cooperatives, must not be addressed in international instruments. However, were such an instrument to be adopted, it should take the form of a Recommendation to ensure the necessary flexibility.

National Confederation of Industry (CNI): Matters of an exceptional or sectoral nature or concerning specific conditions of work should not be the subject of a new international instrument until such matters have been fully examined in all their diversity and complexity. It would be more appropriate, given the need for flexibility, to adopt conclusions and general guidelines.

Association of Brazilian Cooperatives (OCB): Yes.

Bulgaria. This is particularly necessary for cooperatives in the countries of the former socialist bloc.

Burkina Faso. Standards on labour and workers' protection should include the particular characteristics of the least developed countries.

National Employers' Council of Burkina Faso (CNPB): No. Rather than a proliferation of standards, existing standards should be revised to adapt them to the new situation.

National Confederation of Workers of Burkina Faso (CNTB): The CNTB is mindful of the importance of promoting cooperatives.

Canada. By updating Recommendation No. 127, especially given the new international principles adopted in 1995 by the International Co-operative Alliance (ICA).

Chad. A new instrument would be welcome to replace Recommendation No. 127, which has become obsolete.

Confederation of Unions of Chad (CST): A new international instrument on the promotion of cooperatives is needed because Recommendation No. 127 does not take account of current economic, social, cultural and political changes.

Costa Rica. Given the major changes that the new economic and social order is undergoing, the adoption of a new instrument is appropriate.

El Salvador. The ILO has been passive in relation to the employment-generating contribution made by cooperatives.

Finland. Visible changes in the social, economic and political environment have affected developing countries, countries in transition and industrialized countries. Cooperatives have encountered new socio-economic problems. Yet they have remarkable self-help potential, which has not been fully recognized and utilized. New conditions and new structural concepts, which means reduced government involvement in cooperatives, make it advisable to reconsider the role that cooperatives will play in the future. When adopting a new universal standard, the characteristics of cooperatives must be clearly worked out in order to distinguish them from private enterprises. At the same time it should be borne in mind that in the industrialized countries the importance of cooperatives in the market economy is fully recognized.

France. GNC: Given the ILO's close involvement in the development of cooperatives, it is appropriate now to update its position in this area. A Recommendation would appear to be the appropriate instrument.

Greece. Pan-Hellenic Confederation of Unions of Agricultural Cooperatives (PASEGES): Yes. This instrument must be adapted to the present circumstances, and take international development into account.

Guyana. It will allow for the updating of Recommendation No. 127, bringing new insights and experience into play.

Indonesia. Employers should provide a conducive environment, the opportunity and support to their employees to jointly organize themselves in cooperative societies in order to increase their welfare.

Workers' organizations: Yes. The promotion of cooperatives should be directed at increasing workers' welfare.

Italy. It would be timely and appropriate to have a single policy instrument to harmonize promotional action.

Jordan. Amman Chamber of Industry (ACI): Yes. The Conference should adopt the resolutions of the International Co-operative Alliance (ICA) in this regard.

Kuwait. No objection to the adoption of an international instrument concerning the promotion of cooperatives, in line with international changes and developments, which can ensure flexibility in the labour market through free and honest competition.

Lebanon. A modern instrument is needed, which takes into account the level of economic and social development in member States.

National Federation of Cooperative Societies (NFC): The instrument should be based on developments achieved in the method of cooperative action adopted by the ICA.

Malaysia. Malaysian Agricultural Producers' Association (MAPA): Yes.

Malaysian Employers Federation (MEF): No. Different countries have different priorities, therefore it should be for the countries to decide on the establishment of cooperatives.

Malaysian Trades Union Congress (MTUC): Yes.

National Co-operative Organisation of Malaysia (ANGKASA): Yes.

Mali. To promote enterprises in the social economy.

Malta. The principles of cooperation, democracy and solidarity have a new relevance in this context of liberalization and individualism.

General Workers' Union (GWU): This would provide a framework within which the social partners in different countries can operate.

Apex — Organization of Co-operatives (AOC): The ICA can play a key role with the ILO in the adoption of a new instrument.

Mauritius. An updated instrument is necessary to cope with the changes brought by the new economic order characterized by liberalization and globalization.

Mauritius Labour Congress (MLC): Given the rapid changes in all countries in the world, new ideas should be included in the new international instrument.

Mexico. A new instrument might be an alternative way of creating jobs, and could promote cooperatives and encourage discussion and enactment of laws and regulations which apply to them.

Morocco. Office for Cooperative Development (ODC): In the light of globalization and the opening up to a market economy and the challenges these will bring, new instruments are needed to bring the cooperative sector up to date.

Nicaragua. This is important, both because of what it represents to the economy of a country, and because of the philosophy of cooperation between cooperative members.

Panama. The ILO has been a world pioneer in the promotion of cooperatives. The Conference should approve the guidelines for a new role by the ILO in the light of the process of modernization and globalization.

Small and Medium-sized Enterprise Services Cooperative (CACPYMER): The promotion of cooperatives is the most appropriate response in order to generate jobs at low cost.

Philippines. Yes, to strengthen the views of the ICA and the World Council of Credit Unions (WOCCU).

Bureau of Local Employment (BLE): Yes, many countries like the Philippines consider cooperatives such as workers' cooperatives as a new modality for the promotion of employment.

Institute for Labor Studies (ILS): Yes, it is about time that an international instrument concerning the promotion of cooperatives is adopted by the Conference, as cooperatives are now becoming a popular form of business enterprise.

Romania. The earlier instrument no longer reflects contemporary realities.

Saint Lucia. Recommendation No. 127 overemphasized the role of government.

Spain. It is necessary to update and extend the coverage of the existing Recommendation.

Trade Union Confederation of Workers' Committees (CCOO): It is useful to promote this form of collective employment through an international standard.

Sri Lanka. Given the rapid changes in the social, economic and political landscape a new international instrument is imperative to meet new challenges.

Switzerland. No objection at this stage to the adoption of a new international instrument on the promotion of cooperatives.

UPS: The UPS does not see the need for any international instrument in these areas. A general discussion would have sufficed.

United Republic of Tanzania. Because many changes have taken place since the present instrument was adopted.

Tanzania Federation of Free Trade Unions (TFTU): Yes, because of their positive role in offering services and especially with the focus of employment creation.

Togo. The social, political and economic climate has evolved since 1966. Furthermore, Recommendation No. 127 concerns only developing countries.

Trinidad and Tobago. Co-operative Credit Union League of Trinidad and Tobago (CCUL): Globalization and other international developments have made it necessary.

Tunisia. Given the political, economic and social changes that have occurred since Recommendation No. 127 was adopted, and which have had an impact on cooperatives worldwide, a new instrument should be adopted which would take the form of a Recommendation revising Recommendation No. 127.

Ukraine. Association of Small, Medium-sized and Privatized Enterprises of Ukraine (ASMPEU): A sounder legislative and regulatory framework is needed for the development of the cooperative movement, as are efforts to publicize its role in economic development.

United Arab Emirates. Such an instrument would promote cooperatives. Members can be guided by it.

United Kingdom. Updating, taking account of political changes, globalization and competitiveness.

Zimbabwe. This will enable member States to put proper legislation in place on cooperatives.

The large majority of member States replying to this question, including workers' and employers' organizations, were in favour of a new international standard on the promotion of cooperatives. The reasons given pointed mainly to the need to reflect the economic, social and political changes that have taken place worldwide since the adoption of Recommendation No. 127 in 1966. In addition, a number of replies mentioned the need to adopt an instrument relevant to all countries, and not just developing countries. *Point 1* of the Proposed Conclusions has been drafted accordingly.

If so, do you consider that the instrument should take the form of a Recommendation? **Qu. 2**

Total number of replies: 95.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia,

Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Lebanon, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Cameroon, Senegal, Syrian Arab Republic.

Other: Kuwait.

Argentina. The present Recommendation has helped to create a reference framework for the development of active policies.

Azerbaijan. Azerbaijan Entrepreneurs' Confederation (AEC): The instrument should take the form of a Convention.

Bahamas. Guidelines established by the ILO can go a long way in providing strong guidance for cooperative regulations.

Belgium. A Convention would seem to be too restrictive.

Brazil. Considering that this is a new departure and that the subject is a complex one in each country, without rejecting the idea of a Convention, it would be more appropriate for the international instrument to take the form of a Recommendation.

CNC: A Recommendation, should the majority of member States decide to regulate this matter in an international instrument.

CNI: Only the adoption of a Recommendation, if no complexities arise and if such regulation is not considered premature.

Burkina Faso. CNTB: No. A Convention is an instrument that would protect workers effectively in that the State would be more involved.

Chad. To unite all the constituents, even though it will not be subject to ratification.

CST: Yes, the instrument should take the form of a Recommendation.

Costa Rica. It is appropriate for the instrument to take the form of a Recommendation, and for the technical and practical details of its application to be guided by national legislation. Recommendation No. 127 is a framework instrument for standards governing cooperatives that member States must heed. On that basis, if there is a need to codify the promotion of cooperatives then a new international labour standard should be drafted on the subject.

Egypt. The instrument should take the form of a Convention supplemented by a Recommendation.

Federation of Egyptian Industries (FEI): Yes. So that a follow-up of the Recommendation can be carried out by the ILO, programmes should be formulated that would enable Members to respond to the Recommendation.

El Salvador. It should be incorporated into the body of labour standards.

Estonia. Estonian Association of Trade Unions (EAKL): Yes. A Convention would be too restrictive.

Finland. As an instrument of international law, a Recommendation is more realistic than any other form. Since the scope of the instrument will be broadened to include all countries and not only developing countries, the instrument should be a completely new Recommendation, not just a revised version of Recommendation No. 127.

Federation of Finnish Enterprises (Suomen Yrittäjät): The ILO's existing Recommendation excessively reflects the values and assumptions of the government-centred and centralized economic system, given its date of adoption. The new Recommendation should be more explicitly based on values consonant with a free market economy, voluntary economic organization and unionization, as well as with civil rights related to policy, economy, culture and society. Placing different forms of economic activity on an equal footing should constitute the basis for the legislation of different States and for international Conventions.

Confederation of Finnish Industry and Employers (TT) and Employers' Confederation of Service Industries in Finland (Palvelutyönantajat): It is important that an instrument with the nature of a Recommendation be general and inclusive as to its content.

France. GNC: See reply to Question 1.

Germany. Only in this way is it possible to ensure that Recommendation No. 127 is revised.

Ghana. To provide guidelines for national policy to enable cooperatives to develop their self-help potential more fully, notably in transition economies undergoing structural reforms.

Ghana Employers' Association (GEA): Yes, because modern cooperatives are not directly under the administration of governments. The members perceive the instrument as a means to achieve their common economic and social goals.

Greece. PASEGES: Yes. As a Recommendation, the instrument will be complied with to a greater extent.

Guyana. Cooperatives should be voluntary rather than regulatory and hence a Recommendation giving general guidelines would suffice.

India. This Recommendation should provide a comprehensive set of guidelines to national authorities.

Indonesia. The Conference should recommend that the establishment of workers' cooperatives in the employer's enterprise will not be detrimental to the operation of the company and even provide a win-win solution with regard to the working relationship between the employer and the employees.

Italy. It would be timely and appropriate to have an instrument that would be binding on all States and which would provide general policy.

Confederation of Italian Cooperatives (Confcooperative): It would be desirable to have a more forceful legal instrument (a Convention).

National League of Cooperatives and Mutual Associations (Legacoop): Yes.

Japan. The instrument should take the form of a Recommendation, considering that the proposed document is one of the international instruments of the ILO, and it shows the guidelines for the policy toward cooperatives formulated by the ILO's constituents.

Jordan. ACI: No.

Federation of Jordanian Chambers of Commerce (FJCC): Yes.

General Federation of Jordanian Trade Unions (GFJTU): Yes.

Kuwait. The Recommendation will be more flexible and provide all the details on the subject-matter; it will take into consideration the different socio-economic levels of various countries.

Malaysia. MEF: No.

Mali. To supplement a Convention.

Malta. A binding Convention would be self-defeating.
GWU: No. Preferably a form of Convention.
AOC: Yes. But supporting a Recommendation must imply a positive concrete action on the part of member States to support the promotion and development of cooperatives.

Mauritius. MLC: Government and other partners are more committed to a Recommendation from the ILO than mere proposals.

Mexico. A Recommendation could promote provisions adapted to the particular circumstances of each country.

Morocco. ODC: With a view to universal adoption as a basis for new laws.

Nicaragua. For the reasons given in reply to Question 1.

Oman. The Recommendation would provide more flexibility for Members; Members can be guided by the Recommendation while amending their legislation in this respect.

Panama. This should be a Recommendation on the role of cooperatives in the new social and economic order.
CACPYMER: Yes. This would be the first step towards establishing recognition and the structure for a future Convention.

Philippines. BLE: Yes, so that countries, as a matter of policy, may initiate proper measures to promote the establishment of cooperatives.
ILS: No. The instrument should be in the form of a Convention rather than a Recommendation to give it more force and effect among member States.

Qatar. In view of the different types of cooperatives, and their different experiences, the instrument should provide enough flexibility to be useful. A Recommendation would provide such flexibility.

Senegal. The instrument should take the form of a Convention, in order to provide more safeguards in promoting the interests of the low paid.

Spain. A Recommendation is the most suitable form of instrument.
CCOO: No. It would be advisable to have a Convention.
Galician Inter-Union Confederation (CIG): No. The instrument should be in the form of a Convention.

Sri Lanka. A Recommendation could provide the necessary guidelines for member States to voluntarily adopt appropriate measures according to their level of development.

Switzerland. If an instrument is to be adopted, it should take the form of a Recommendation.
UPS: See reply to Question 1.

United Republic of Tanzania. It is easier to adopt and implement Recommendations depending on the level of development of each country.
TFTU: Yes. This will help to set forth guidelines which could be followed by the member States so as to formulate policy on the formation of cooperatives.

Thailand. The ICA is directly responsible for cooperative affairs. The ILO should take a supportive role to prevent any overlap of roles. Consequently, the ILO instrument should take the form of a Recommendation.

Togo. This instrument, which will take the form of a Recommendation, should reflect the new perception of cooperatives as a means of attaining the common social and economic goals of their members.

Trinidad and Tobago. While the principles guiding cooperative development are universal, local situations are usually quite varied. Therefore, principles rather than specific provisions are appropriate.

Tunisia. See reply to Question 1.

United Arab Emirates. Workers' organizations: A Recommendation is a useful tool and does not require ratification as is the case of Conventions.

The overwhelming majority of member States were of the opinion that a new international standard should take the form of a Recommendation since the issues involved concern mainly policy. Furthermore, a significant number of replies indicated that a Recommendation would provide the required flexibility. A few replies, particularly from some workers' organizations, suggested that a Convention might be preferable in order to enhance application and reporting. *Point 2* of the Proposed Conclusions has been drafted accordingly.

II. Preamble

Should the instrument include a preamble referring to: **Qu. 3**

(a) Employment Policy Convention, 1964 (No. 122), and Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169)?

(b) Rural Workers' Organisations Convention, 1975 (No. 141), and Recommendation (No. 149)?

(c) Human Resources Development Convention, 1975 (No. 142), and Recommendation (No. 150)?

(d) Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189)?

(e) Other instruments? (Please specify.)

Total number of replies: 93.

Affirmative: Algeria ((a), (b), (d) and (e)), Argentina ((b), (d) and (e)), Austria, Azerbaijan ((a) to (d)), Bahamas ((a) to (d)), Belarus ((a) to (d)), Belgium ((a) to (d)), Benin ((a) to (d)), Bolivia ((a) to (d)), Brazil ((a) to (d)), Bulgaria, Burkina Faso ((b)), Cambodia ((a) to (d)), Cameroon ((a) to (d)), Canada ((a) to (d)), Chad, Chile ((a), (c) and (d)), China ((a), (c) and (d)), Colombia, Costa Rica ((a) and (d)), Croatia ((b) to (d)), Cuba ((a) to (d)), Cyprus ((a) to (d)), Czech Republic ((a) to (d)), Denmark ((a) to

(d)), Egypt, El Salvador, Estonia ((a), (c) and (d)), Ethiopia ((d)), Finland, France ((a), (c) and (d)), Gambia, Ghana ((a) to (d)), Guyana ((a) to (d)), Hungary ((a) to (d)), India ((a), (b) and (d)), Indonesia ((a) to (d)), Iraq ((a) to (d)), Israel ((a) to (d)), Italy ((a) to (d)), Jamaica ((a)), Japan ((a) to (d)), Jordan ((a) and (d)), Kenya, Republic of Korea ((a)), Kuwait ((a) to (c)), Lebanon ((a), (c) and (e)), Lithuania ((a) to (d)), Malaysia ((d)), Mali ((a) to (d)), Malta ((a) and (c)), Mauritius ((a) to (d)), Mexico, Republic of Moldova ((a) to (d)), Morocco ((a) and (d)), Namibia ((a) to (d)), Nepal ((a) to (d)), Nicaragua ((a) to (d)), Norway ((a) to (d)), Oman, Panama, Philippines ((c) and (d)), Poland ((a) to (d)), Portugal, Qatar ((a), (b) and (d)), Romania ((a) to (d)), Russian Federation ((a) and (d)), Saint Kitts and Nevis ((a) to (d)), Saint Lucia ((c) to (e)), Senegal ((a) to (d)), Slovakia ((a) to (d)), Slovenia ((a) to (d)), Spain ((a) to (d)), Sri Lanka, Swaziland ((b) and (d)), Switzerland ((b) to (d)), Syrian Arab Republic ((a) to (d)), Tajikistan ((a) to (d)), United Republic of Tanzania, Thailand ((a) to (d)), Togo ((a) to (d)), Trinidad and Tobago ((a) to (d)), Tunisia ((a) to (d)), Turkey ((a) to (d)), Ukraine ((a) to (d)), United Arab Emirates ((a) to (d)), United Kingdom ((b) and (d)), Uruguay ((a) to (c)), Venezuela ((a) to (d)), Zimbabwe ((a), (c) and (d)).

Negative: Argentina ((a) and (c)), Azerbaijan ((e)), Bahamas ((e)), Barbados ((a) and (e)), Benin ((e)), Brazil ((e)), Cameroon ((e)), Chad ((e)), China ((b)), Costa Rica ((b), (c) and (e)), Croatia ((a) and (e)), Cuba ((e)), Czech Republic ((e)), Estonia ((b) and (e)), Germany ((a) to (d)), India ((c)), Indonesia ((e)), Iraq ((e)), Italy ((e)), Jordan ((b) and (c)), Republic of Korea ((b) to (e)), Kuwait ((d) and (e)), Lebanon ((b) and (d)), Malta ((b), (d) and (e)), Peru, Philippines ((a), (b) and (e)), Russian Federation ((b), (c) and (e)), Saint Lucia ((a) and (b)), Senegal ((e)), Slovenia ((e)), Spain ((e)), Swaziland ((a) and (c)), Syrian Arab Republic ((e)), Thailand ((e)), Ukraine ((e)), United Arab Emirates ((e)), United Kingdom ((a), (c) and (e)), United States ((a) to (e)), Uruguay ((d) and (e)), Venezuela ((e)), Zimbabwe ((b) and (e)).

Other: Algeria ((c)), Namibia ((e)), Nicaragua ((e)), Slovakia ((e)), Switzerland ((a) and (e)), Togo ((e)).

Argentina. (e) A report ("balance-sheet") on the application of Recommendation No. 127.

Austria. Chamber of Agriculture of Tirol (BfT): (a), (c), (e) No.

Azerbaijan. (a) In the light of the objective of stimulating economic growth and development, raising living standards, meeting demand for labour and reducing unemployment. (b) Bearing in mind that agricultural cooperatives exist and the instrument refers to all such rural workers' organizations. (c) Given the general population flow from the country to the cities and the importance of vocational guidance and training.

Barbados. BWU: (a) Yes. Given that the intention of these two instruments is to promote economic growth and development, improve living standards and combat unemployment and underemployment. (b) Yes. This would be useful in order to emphasize the link between the establishment of cooperatives and the need for workers to form democratic organizations which would encourage collectivity of interests and as a result contribute to economic and social development. (c) Yes. Important if government is to recognize its role in the institution of policies which promote education and training, especially in technical and vocational fields. These areas are vital if cooperatives are to develop and survive.

Brazil. (a) Considering that the use of the cooperative model may interface with the employment policies to be adopted by member countries, it would be appropriate to mention those instruments in the preamble. (b) The cooperative model has had a major impact on rural work, either through production or through labour cooperatives. (c) Policies developed for the cooperative system may positively or adversely affect personnel. (d) Some support policies for the cooperative movement may positively or adversely affect the establishment of small and medium-sized enterprises (SMEs).

CNI: (a) and (d) Yes, subject to the reply to Questions 1 and 2. (b) and (c) To be examined, with account being taken of the replies to Questions 1 and 2.

Bulgaria. (a) Unemployment is found to the same extent in state and cooperative enterprises. (b) Training for agricultural cooperatives needs to be improved. (c) This problem is related to the decline in the rural and urban population of the country as well as its overall population. At the same time indicators of human resource quality are improving. (d) The number of SMEs and jobs can be increased by creating industrial cooperatives.

Burkina Faso. (b) This sector does not receive enough formal attention.

CNPB: (a) Indicating the innovations that have occurred.

Chad. (a) The instrument should have a broader scope. (e) The previous instruments broaden the scope of the new instrument sufficiently.

CST: (a) to (d) Yes. (e) References to the following could also be included: the Plantations Convention, 1958 (No. 110), the Right of Association (Agriculture) Convention, 1921 (No. 11), the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

Chile. Confederation of Production and Commerce (CPC): (b) and (c) Have not been ratified.

Costa Rica. (a) to (e) As it says in the definition, a cooperative is an "association of persons united voluntarily". It is therefore most important to include the reference to international labour standards concerning labour and human resources management in the preamble, since cooperatives are formed by people.

Croatia. (d) This is the most important one.

Association of Workers' Trade Unions of Croatia (URSH): (a) No, this is not really necessary. (e) No. Cooperatives are not generally widespread.

Cyprus. (a) Cooperatives have the potential to generate and sustain employment and thus can play an important role in this respect.

Egypt. (a) Since the cooperative sector is included in the economic development programme, which aims at achieving full, productive and freely chosen employment. (c) To increase attention on human resources development (HRD) issues under development programmes at the global level. (d) As job creation and combating unemployment are major issues addressed by cooperative action. (e) The Labour Administration Convention, 1978 (No. 150).

FEI: (a) Yes, given that the Convention and Recommendation previously adopted are authoritative sources considered as an important background on employment policy acquired rights, ratified by several member States. (b) No. This sector is largely considered as informal, and it is not easy to include a Convention on organizations which were not established in a formal manner, in most developing countries in particular. (c) Yes. Both the Convention and Recommendation are considered as an important background to which reference should be made in view of increased attention devoted to HRD under development programmes at the global level. (d) Yes, in order for the instrument to be more comprehensive, including more than one dimension, and to cover the multidimensional role of cooperatives. (e) No.

El Salvador. (a) Yes, in order to explain the reasons for it. (b) In order to specify the approach, the effects of which should be seen in those sectors that need better working conditions. (c) In order to define guidelines for the training of the working population. (d) So that it has an impact on local development. (e) Those that take into account the free movement of qualified human resources.

Estonia. EAKL: (b) No. (e) Yes, the ILO Declaration on Fundamental Principles and Rights at Work, and the Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117).

Finland. (e) Indigenous and Tribal Peoples Convention, 1989 (No. 169).

France. French Democratic Confederation of Labour (CFDT): (a) It is appropriate to place development of cooperatives in a broader economic context of promoting employment, taking into account the diversity of different sectors and the need for quality jobs (safeguards provided under the terms of agreements).

GNC: Conventions and Recommendations in this area aim to promote employment; supporting the creation of cooperatives promotes development and creates employment. There would appear to be a degree of interaction between these instruments and the proposed new Recommendation, and there is no reason why this should not be stated clearly. The ILO could be invited to ensure that all Recommendations and Conventions relating to the economic and social policies of member States refer to the cooperative form of organization as one that is effective and able to respond to changing conditions faced by all countries, whether industrialized, transition or developing.

Germany. Confederation of German Employers' Associations (BDA): (b), (c) and (d) Yes.

Ghana. Yes; analogous/supplementary.

GEA: (a) Yes. All human beings, irrespective of race and sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. (b) Yes. There is massive underutilization of land and labour and given the needed encouragement, rural workers will be useful to themselves and effectively contribute to the economic and social development of their locality. (c) This will enable the individual to discover his or her hidden talents, developing them so as to become useful to himself/herself and society at large.

Trades Union Congress (TUC): (e) Ecological change, technological change.

Guyana. (a) Cooperatives can be the mechanism to link and absorb the informal sector into the formal sector. (b) Rural workers are among those uniting to form groups such as cooperatives. (c) Members of cooperatives need training and guidance, as any other group. (d) Cooperatives have been involved in job creation since their inception. If this could be included in the preamble, this would be reinforced.

India. (c) No, since the ILO will be considering revision of Recommendation No. 150.

Indonesia. (a) Workers should not be treated as a means of production, but must be considered an asset. (b) There should be an interdependent relationship between employers and employees. Mutual cooperation will sustain sound performance of the company and also give benefit to both parties. (c) Quality improvement of human resources will bring about productivity and efficiency. It is mandatory for the company to enhance the technical skill and managerial competence of employees, as they are also considered as the asset of the company. (d) Government and the private sector should provide an adequate environment, business opportunities and technical assistance to cooperatives and SMEs as they contribute substantially to the absorption of surplus labour.

Workers' organizations: (b) Yes, since it deals with informal sector development.

Italy. (a) These instruments are still valid and offer a practical view of social issues. (b) Certainly, with regard to the production systems in countries with a predominantly agricultural economy. (c) In the light of technological and production trends, this reference to constant upgrading seems all the more timely today. (d) Bearing in mind that the societal implications of cooperatives can generally be traced back to the SME typology, reference to this Recommendation is all the more necessary and appropriate. (e) No.

Legacoop: Yes.

Japan. Japanese Trade Union Confederation (JTUC-RENGO): (d) The social welfare objectives may be promoted.

Kenya. (d) It is proposed that job creation measures be targeted at the informal sector. (e) ILO Convention No. 87 is another example.

Lebanon. (a) Yes. Both instruments embody the promotion of cooperatives. (b) No. Both instruments are related to a specific category of workers, but the cooperative context covers larger areas, and addresses all categories in society. (d) No. Cooperative action and concepts are different from those of SMEs. Both promote job creation and contribute to socio-economic development. (e) Yes. The preamble can also refer to the role of Conventions related to employment agencies in providing employment opportunities for those wishing to work in the cooperative area.

Mali. (a) Management of statistical information on enterprises in the social economy. (b) Support for the autonomous organization of workers. (c) Motivate workers and cooperatives to be creative. (d) Macroeconomic considerations.

Malta. GWU: (a) and (d) This would reaffirm the governments' commitment to their social responsibility as regards employment.

Mauritius. (a) Since cooperatives have been directly involved with the creation of employment. (b) Cooperatives are found mainly in rural areas and the rural community. (c) Cooperative development depends on skilled and well-educated members. (d) The cooperative model is one of the most appropriate forms of business to group together people in SMEs.

MLC: (d) In many countries a great deal of emphasis and investment is focused on SMEs.

Mexico. (a) Yes, since they embody basic principles of employment policy. (b) These instruments encourage the cooperation of the trade unions, particularly with regard to the rural population. (c) Vocational guidance and training are essential for obtaining employment and promoting appropriate training to enable cooperatives to integrate, operate and develop. (d) Yes, since the creation of SMEs is also aimed at the generation of productive and lasting employment. (e) The ICA Statement on the Co-operative Identity, which sets out the definition, values and principles of cooperatives.

Morocco. ODC: (c) to (e) Yes. (a) and (b) No. (c) Yes. Since the human being is at the centre of all development, human resources development should be the point of reference in any development strategy. (d) Yes. In as much as cooperatives are an operational means of creating jobs by encouraging SMEs. (e) Activities should focus on financial, economic, educational and cultural aspects.

Nicaragua. (e) The Minimum Age Convention, 1973 (No. 138), and the Worst Forms of Child Labour Convention, 1999 (No. 182).

Oman. (a) Where necessary. (b) If this is required, without affecting the substance of the international instrument to achieve its objectives. (c) Also taking into account the conclusions adopted by the 88th Session of the ILC on development of human resources. (e) Yes. Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105).

Panama. (a) The Convention and the Recommendation contain indications on how workers' groups can be organized through cooperatives. (b) Cooperatives are excellent models for the organization of rural workers, as regards production, services and employment (work) based on self-management. (c) Cooperatives are educational organizations which are very important for human resources development, as indicated by the Convention and Recommendation. (d) Cooperatives are extremely important in the entrepreneurial training of their members and the promotion of SMEs. (e) Article 12 of the ILO Constitution.

CACPYMER: (a) Without such a preamble it would be too weak and unstable to achieve the essential objectives in this field. (b) No. It is not the right time to try to address the issue of rural workers as well. (c) This is fundamental to the promotion of cooperatives. (d) This is also an integral part of our cooperative's activity and philosophy.

Philippines. BLE: (a) Yes. Cooperatives similar to industrial workers' cooperatives target workers being laid off and/or about to be laid off in companies as a result of downsizing and rightsizing/structural adjustments. (b) Yes. Cooperatives similar to community-based enterprises aim to develop business in communities, especially in rural areas, as a means to generate employment in the countryside. (c) Human resource development is a prerequisite for cooperative formation and capability building of members. (d) Industrial workers' cooperatives (IWCs), industrial homeworkers' cooperatives (IHCs) and community-based enterprises (CBEs) are typically small and medium-sized enterprises that are intended to generate employment.

ILS: (a) Yes. The essence of the second preambular paragraph of Convention No. 122 could be considered in the drafting of the preamble of the proposed instrument, as it states that:

> Considering further that under the terms of the Declaration of Philadelphia it is the responsibility of the International Labour Organization to examine and consider the bearing of economic and financial policies upon employment policy in the light of the fundamental objective that 'all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity'.

(b) The essence of the first, second and third preambular paragraphs of Convention No. 141 could also be considered as they state that:

> Recognising that the importance of rural workers in the world makes it urgent to associate them with economic and social development action if their conditions of work and life are to be permanently and effectively improved, and
>
> Noting that in many countries of the world and particularly in developing countries there is massive underutilization of land and labour and that this makes it imperative for rural workers to be given every encouragement to develop free and viable organizations capable of protecting and furthering the interests of their members and ensuring their effective contribution to economic and social development, and
>
> Considering that such organizations can and should contribute to the alleviation of the persistent scarcity of food products in various regions of the world.

Qatar. (a) The cooperative sector is an important one; it can play a major role in the economic, social and employment fields. (b) Cooperatives in rural areas, particularly in developing countries, can play a major role in rural development; most of the developing countries have a majority rural population. (d) A large number of cooperatives, with different tasks and functions, in spite of their small size, can play a major role in creating job opportunities and combating unemployment.

Saint Lucia. (a) No. Not all cooperatives are directly aligned to the labour market (for example, credit unions).

Senegal. (a) and (d) Cooperatives are important institutions which contribute to job creation. (b) Rural workers make up the majority of the active population in the developing countries. (c) Taking into account the specific training requirements of cooperative members.

Slovakia. (a) and (b) Cooperatives are an important factor influencing employment. (c) Cooperatives are an important factor influencing employment, and they also solve the social problems of their employees (members). (d) Cooperatives are an important factor influencing employment, and they have a bearing on SMEs. (e) United Nations resolution 47/90 on the role of cooperatives in the light of new economic and social trends, adopted by the General Assembly on 16 December 1992.

Spain. CCOO: (a) Yes, because the promotion of productive and freely chosen employment should be a priority for member States. (b) Yes, at present the majority of rural workers in Spain are organized in cooperatives. (c) Yes, because vocational training and guidance are important to improve the skills of workers. (d) Yes, because the Recommendation serves to create productive employment.

Sri Lanka. (a) Promotion of cooperatives should be an integral component of the comprehensive employment policy delineated by the instrument, given its potential in addressing the problems of unemployment and underemployment. (b) Rural workers' organizations in terms of these instruments cover not only wage earners, but the self-employed such as farmers, tenants and small owner-occupiers in rural areas. Thus their organization is desirable. (c) These instruments provide guidance for human resource development and thereby increase employment opportunities and sustainability. (d) This is another area where cooperatives could function effectively. (e) Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117).

Ministry of Co-operative Development (MCD): (a) Yes. It will become a common feature.

Switzerland. (a) and (e) The preamble should not include a reference to Convention No. 122, which Switzerland has not ratified. However, it should include a reference to Recommendation No. 169 and possibly the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168), which offer a way of re-employing long-term unemployed people during periods of labour shortage.

UPS: The preamble should include only a reference to Recommendation No. 189.

Tajikistan. (b) Agricultural cooperatives are among the best forms of production in agriculture. (d) Cooperatives contribute significantly to job creation.

United Republic of Tanzania. (a) Cooperatives should not be looked upon as an association for members but as institutions for the promotion of employment opportunities. (b) There is a need to promote more employment opportunities in rural areas, where the majority of the people in developing countries live. (c) This Convention cuts across all the developmental activities of human beings. (d) This is a new area with the highest potential for creation of employment opportunities and also for cooperative activities.

IFTU: (a) Yes, because the promotion of cooperatives is linked to employment creation. (b) Yes, because most cooperatives aim to foster rural development. (c) It has to do with human resource development as one factor for effective labour market policies. (d) With the level of unemployment in many countries and failure of the large-scale sector to create employment, the focus now should be on promoting SMEs so as to create more jobs.

Togo. (a) Yes, because cooperatives should be established and developed to provide their members with income-generating activities. (b) These are instruments which should not be ignored by the new instrument. (c) Yes, because cooperatives are a means of developing human resources. (d) Because of the subject dealt with in Recommendation No. 189, the new instrument should refer to this text. (e) Many instruments deal indirectly with matters concerning cooperatives. Attempts should be made to avoid unduly lengthening the list of references.

Trinidad and Tobago. Employers' Consulting Association (ECA): (a), (b) and (c) No. There may be a need to revise this given global changes. (e) Yes, where they are supportive of the revised Recommendation.

CCUL: (a) No. These Conventions and Recommendations may also need revision for the same reason given in reply to Question 1. (b) and (c) No. These Conventions and Recommendations may need to be revised. (e) Wherever they might be supportive of the revised Recommendation.

Ukraine: (c) This is a component of any economic development programme for ILO member States.

United Kingdom: (a) No, the preamble should not be too long and complicated. (b) Yes, rural cooperatives are very important. (d) Yes. Cooperative option for management and ownership of SMEs.

Zimbabwe: (a) Yes, since cooperatives create employment. (b) Cooperatives in Zimbabwe are now prevalent in urban areas, hence this will not be appropriate. (c) To assist member States in training cooperative members. (d) This Recommendation is very dynamic, hence it will guide the new instrument.

A large number of replies gave strong support to an instrument containing a preamble referring to the Employment Policy Convention, 1964 (No. 122), and Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169), the Rural Workers' Organisations Convention (No. 141) and Recommendation, 1975 (No. 149), the Human Resources Development Convention (No. 142) and Recommendation, 1975 (No. 150), and the Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189). *Point 3* of the Proposed Conclusions has been drafted accordingly.

III. Objective, scope and definition

Qu. 4 *Should the instrument seek to promote the considerable potential that cooperatives have, in all countries whatever their level of development, to assist their members to:*

(a) create employment and expand access to income-generating activities?

(b) improve social well-being?

(c) increase savings and investment?

(d) attain other economic and social objectives? (Please specify.)

Total number of replies: 95.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin ((a) to (c)), Bolivia, Brazil ((a) to (c)), Bulgaria, Burkina Faso, Cambodia ((a) to (c)), Cameroon, Canada, Chad, Chile ((a), (c) and (d)), China, Colombia, Costa Rica ((a) and (b)), Croatia ((a) to (c)), Cuba ((a) to (c)), Cyprus, Czech Republic, Denmark ((a) to (c)), Ecuador, Egypt, El Salvador, Estonia, Ethiopia,

Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan ((a) to (c)), Jordan, Kenya, Republic of Korea ((a) to (c)), Lebanon, Lithuania ((a) to (c)), Malaysia, Mali, Malta ((a), (b) and (d)), Mauritius, Mexico ((a) to (c)), Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway ((a) to (c)), Oman, Panama, Peru, Philippines, Poland, Portugal ((a) to (c)), Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland ((a) to (c)), Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States ((a) to (c)), Uruguay, Venezuela, Zimbabwe.

Negative: Benin ((d)), Brazil ((d)), Costa Rica ((c) and (d)), Cuba ((d)), Republic of Korea ((d)), Kuwait ((a) and (d)), Malta ((d)), Mexico ((d)).

Other: Croatia ((d)), Japan((d)), Kuwait ((b) and (c)), Norway ((d)), Portugal ((d)), Swaziland ((d)), United States ((d)).

Argentina. (a) Cooperatives need to be differentiated on the basis of three main conceptual categories: (1) self-managing cooperatives (associative); (2) sales/marketing and transforming (producer) cooperatives; (3) cooperatives that provide services for members. All three types create employment but differ in their objectives. This observation applies throughout the questionnaire. (b) Mention should be made in particular of service-provider cooperatives as a form of social organization. (c) Notably for promoting savings and investment at local and regional levels, irrespective of global movements of capital. (d) Support to regional economies, better social structures and cohesion.

Austria. BIT: (c) and (d) No.
Agriculture and Forestry Employers' Association of Salzburg (LuFAS): (a) to (d)Yes.
Presidents' Conference of the Chambers of Agriculture of Austria (PKLK): (a) to (d) Yes.

Azerbaijan. (d) Develop labour markets and markets for goods and services, improve purchasing power, increase incomes, develop enterprise, create a middle class.

Barbados. (d) Yes. Develop entrepreneurial skills.
BWU: (a) Unemployment and underemployment are two phenomena which make private initiative and entrepreneurship a vital alternative for the creation of jobs. Cooperatives provide a valuable alternative for the creation of jobs. (b) Education can improve the sense of social consciousness whereby persons who may lack individual power can have a mechanism through which they can improve their knowledge and skills collectively.

Belgium. (c) Cooperatives can provide a new direction for savings and investment. (d) Contribute to sustainable development; help create synergies for programmes that are beneficial to social development; provide an alternative to an absolute market economy. Who would contribute towards attaining the objectives decided upon: the members or the cooperatives? Cooperatives represent one of the legal means of meeting the need for solidarity. There are also other ways of doing this in Belgium. This questionnaire does not cover those options.

Brazil. (a) Wage employment is governed by labour legislation, with all the implications that this involves. Cooperative legislation is not to be confused with labour legislation in this country. Therefore, there is the possibility of creating self-employment and income. (b) The instrument should highlight the role that cooperatives can play to improve members' social well-being. In addition, it must codify the essential characteristics of the cooperative model.

(c) It is essential to establish a cooperative system that will meet social concerns and the need for the investment of capital to train members and to set up and develop organizations. (d) No. It is fundamental for the cooperative system not to serve as a tool for employers' interests in the sense of simply replacing personnel protected by labour legislation with cooperative workers.

Bulgaria. (a) Under market conditions, cooperatives operate like private enterprises. Safeguarding a cooperative's income is therefore a condition for creating new jobs. (b) A cooperative also has a social purpose — to provide its members with work and an income and to organize social and cultural activities. (c) Job creation is linked to increases in savings and investment. (d) Carrying out regional and national functions: in the transport, supply and industrial sectors.

Burkina Faso. (a) This instrument would constitute a protective framework and hence a means of providing security for all current and future activities. (b) Creating a secure environment for goods and people helps solve the problems of daily life and increase income. (c) The need to save and invest will arise with the increase in income. (d) Meeting families' health care needs and expenses related to children's school attendance in an increasingly difficult global economic environment.

CNPB: (a) The revised instrument should provide a dynamic impetus among the cooperatives receiving ILO technical cooperation. (d) Account should be taken of the need for active solidarity between cooperatives of the North and South.

CNTB: (a) Yes, Given state disengagement, it is recommended to generate employment through private initiatives. (d) Increase GDP; improve health care; promote education.

Canada. (c) Savings and credit cooperatives/credit unions are one of the fastest growing cooperative sectors. Their potential for impact on poverty reduction is high. (d) The existence of cooperatives sustains community capacity for undertaking all types of cooperative activities. Cooperatives can increase equity/equality, in economic and gender terms, impact on income disparities, protect community interest, spread economic power, and operationalize total quality management and fair trade. Cooperatives can also improve the social coverage of wage earners and fight against illegal work and child exploitation.

Chad. (d) Cooperatives will enable their members to gain their independence and assert their dignity.

CST: The instrument should aim to promote the potential of cooperatives in all countries to assist their members to attain other economic and social objectives (cf. (a), (b) and (c)), promote the creation of cooperatives, and promote associations of cooperatives and the creation of SMEs and industries in response to unfair competition by modern enterprises.

China. (d) To provide services to the community, promote fair trade and facilitate the establishment of a harmonious society.

Costa Rica. (d). Include democratizing the economy and increasing the number of owners of production and consumer goods and services. Include an indication of the means to be used and an explanation of how to develop that potential. The other social and economic objectives are as follows:

- promote the economic well-being of members through their joint endeavour and joint use of capital;
- use every available means to foster the development of those activities relating to the production of common goods and services;
- encourage the full development of the individual by offering a mechanism whereby associates can engage in organized participation and share the socio-economic benefits which are the outcome of a common endeavour;

— secure the social and economic well-being of members, set up social services, improve the cultural and technical level, establish relations with other cooperatives nationally and regionally so as to organize and offer mutual joint services and thereby promote the proper development of the cooperative movement in the country;

— establish contacts and solidarity among associates and promote a spirit of mutual help in the social, economic and cultural spheres;

— promote the training and education of members and their families. Such training must be geared to fundamentals, so that successive layers of knowledge and skills can be acquired and people can efficiently undertake the democratic management of their enterprises;

— create the right conditions for developing economies of scale through vertical and horizontal integration of the production process, but without concentrating income and decision-making in fewer hands.

Croatia. URSH: (d) Yes. Maintaining the social and economic viability of small communities which depend upon one specific sectoral activity, such as tourism.

Cyprus. (d) Education, housing, health.

Czech Republic. (d) Competitive advantage; enhancement of wages; with regard to the multifunctional role of agriculture in rural areas.

Denmark. Federation of Danish Cooperatives (FDC): (b), (c) and (d) No.

Egypt. (a) It is necessary to know the source of such potential: whether possible funding by the State, assistance provided by developed countries or grants from international organizations. (b) The objective of cooperatives is to improve social conditions at the country level, a remedy for side-effects of economic reforms in addition to improving social well-being. (d) The creation of employment opportunities mitigates the effects of economic reforms.

FEI: (a) Yes. The source of such potential should be determined: Is it through local funding, international development agencies, assistance by developed countries or any other source? (b) Cooperatives today are a remedy in view of the economic reform programmes implemented in most developing countries; cooperatives are aimed at providing a means of mitigating the impact of economic reforms; their aim is not affluence. (d) The creation of employment opportunities mitigates the impact of economic reforms in developing countries.

Egyptian Trade Union Federation (ETUF): (d) The objective should be to strengthen coordination and cooperation between trade union organizations and cooperatives.

El Salvador. (d) Invest in other enterprises; contribute to local development projects.

Finland. (a) To create employment and expand access to income-generating activities is especially important in developing countries and for women in particular. The primary task of cooperatives is to provide services to their members. Although creating employment is an important objective, cooperatives as private sector enterprises should not be seen as having an obligation to solve unemployment problems. (b) By definition, yes. The social well-being of members is the result of viable cooperative activities which will improve the economy of members. (c) By means of saving and investment, the social well-being of members will improve. (d) Preventing exclusion could be one of the objectives.

TT and Palvelutyönantajat: (a) The goals of boosting employment and economic growth are best backed up by measures aimed at improving the general conditions for business activities. Such measures are presented in the Recommendation No. 189.

Central Organization of Finnish Trade Unions (SAK) and Finnish Confederation of Salaried Employees (STTK): (a) This might be one way to create new forms of participation in the economic and social life of society. (d) See comment under (a) above; this might lead to activities in areas where profits are not big enough to interest enterprises.

France. CFDT: All of these objectives are worth pursuing, with a view to meeting the various needs of citizens in terms of goods and services, and being innovative in responding to those needs by taking account of new expectations.

GNC: The ICA Congress adopted a position on these points in 1995. It is recommended that the definitions and objectives adopted on that occasion by the cooperative movements be retained. In particular, the ILO Recommendation should include the definition of a cooperative adopted by the ICA.

Germany. (c) Credit cooperatives are important finance providers for all population groups, especially in the area of microfinance. (d) In economic terms with regard to national and international trade relations/market-based promotion of economic development.

BDA: (d) No.

Ghana. (c) This improves economic growth and employment. (d) Develop human resources and help to alleviate the negative effects of adjustment affecting the weak/vulnerable groups of the population.

GEA: (a) Structural adjustment programmes embarked upon by many developing and industrialized countries have brought about widespread upheavals, unemployment and poverty. (b) Cooperatives are expected to generate employment opportunities and to provide an effective base for disadvantaged groups to organize themselves for their social and economic benefit. (c) The cooperative financial sector has been the most dynamically growing cooperative sector in terms of turnover worldwide, from 1980 to 1989. (d) Cooperatives can alleviate poverty and mitigate, at least in the short term, the hardship that is likely or has already been created in the wake of transition from centrally planned to market economies and structural adjustment.

TUC: (d) Non-governmental organizations can also help in other areas to address the social needs of certain communities.

Greece. PASEGES: (d) Yes. Contribute in general to economic development in line with their mode of operation, and using the available natural resources rationally; contribute through educational activities to the intellectual development of their members and to strengthening their capacities.

Guyana. (a) Cooperatives can be used as a vehicle to reduce unemployment and should not be a closed-shop affair. (d) Improved housing, education and transportation.

India. (a) The focus should be on income-generating activities. This should lead to self-employment. Special emphasis is needed for activities in rural areas. (b) A cooperative is based on an economic activity. Economic well-being automatically leads to improved social well-being.

Indonesia. (a) Cooperatives are considered as economic organizations for the people that can provide social and economic benefits to members and their immediate communities. (b) Cooperatives provide an assured market and price for members' products. (c) Some cooperatives have successfully mobilized savings from their members and have supported investment by their members. (d) Increase productivity and quality of products/services, improve job culture that is conducive to occupational safety and health, and ensure sustainable environmental development. Many cooperatives have provided medical services, education, emergency needs, business consultancy and business information to their members and immediate community.

Workers' organizations: (d) Efforts should be taken to improve the cooperative.

Israel. (a) There is still room for expansion even in the very industrialized countries. (d) Better education and more involvement of women and young people.

Italy. (a) to (c) These may provide a considerable boost to the economy. (d) For instance, those of the third sector and those of services to the individual in the broadest sense.

Legacoop: The instrument must promote the entrepreneurial capability of cooperatives in all countries so that they fulfil the aspirations of members in attaining certain objectives. The objectives mentioned in the question should be fully supported. There have been and are cooperative entrepreneurial experiments that have efficiently and jointly achieved these objectives.

Japan. Since the proposed document is an international instrument of the ILO, its contents should be limited to those in compliance with the ILO's mandate. (d) It may contribute to the promotion of social solidarity through the participation of cooperative members in social activities.

Jordan. ACI: (d) Development of local communities, development of self-reliance by providing funds for the establishment of income-generating projects which can have an effect on the previous points.

Kenya. (d) The instrument should also empower the rural poor as well as the urban working poor. It should further aim to enhance democratization, income distribution and civic education.

Kuwait. (a) The new instrument should aim to help cooperatives solve the unemployment problem. (b) One of the most important objectives of cooperatives is achieving social well-being through meeting peoples' needs in the form of food, clothing, housing, health, education, employment, transportation and telecommunications. (d) Such organizations help increase the socio-economic level of individuals, either as producers or consumers, through the utilization of natural and human resources available, conservation of the environment, productive activities, income generation and achieving social justice and stability.

Lebanon. (a) Creation of self-employment as well as employment in general and related activities which would expand income-generating activities. (b) This will depend on available financial and administrative capabilities. (c) These are cooperatives' objectives, and depend on cooperatives' capabilities to provide services at competitive prices and of excellent quality. (d) Health, educational, housing and consultancy services; this could be done gradually and according to available resources.

Ministry of Housing and Cooperatives (MHC): (d) Involve young people in economics and social decision-making.

NFC: (a) Since this will increase the stability of cooperatives, increase affiliation with the aim of obtaining services that will help them in their daily life. (d) By achieving and improving on economic objectives, social conditions and stability would be enhanced and educational opportunities and health services would also be attained.

Malaysia. (a) Identifying a market-based mechanism will enable cooperative participation in the competitive market. (b) The principles of cooperation can provide a valuable basis for equal wealth distribution and addressing the social needs of members. (c) Savings and investment are a form of distributing the added value generated in a business enterprise. (d) Cooperatives need creative inputs by exploring potentials available in the field of information technology and education.

MTUC: (d) Express the economic concerns and needs of members, who by and large are from the low-wage earning community.

ANGKASA: (d) Promote democracy.

Mali. (d) Individual and collective well-being (groupings, associations, community cooperatives, villages, neighbourhoods, groups). Help in the event of accidents, retirement and even contributing to the provision of care.

Malta. (d) Confirm that cooperation can exist and is effective — indeed, superior to competition.

GWU: (a) Cooperatives could become an instrument through which individuals team up to create employment themselves and promote the social dimension. (d) Whereas cooperatives could help in attaining economic objectives, especially in newly developed countries, they could be the instrument to instil again social objectives in developed countries.

Union Haddiema Maghqudin (UHM): (d) Promote entrepreneurship.

AOC: (a) Cooperatives are known to generate employment through collective use of resources. (b) Yes, the values and principles of cooperatives promote the human dimension and hence improve social well-being. (c) Through collective use of the resources of their members, cooperatives have better means of generating savings and investment. (d) The two principles of working together and concern for community help to promote solidarity apart from other economic benefits, not only at the local level but also on the international scene. Thus, apart from the benefits of economic globalization, cooperatives can promote the globalization of solidarity.

Mauritius. (a) With limited capital members can pool their resources to set up viable enterprises for job creation. (d) Service to the community; poverty alleviation; protection of the environment.

Mexico. (a) and (b) The promotion of cooperatives should meet individual and collective needs, through the production, distribution and consumption of goods and services. All this must be adjusted to the particular circumstances in each country. (c) Savings are the basis of investment, and for this reason saving by the public must be encouraged. (d) No. Incorporating too many objectives could jeopardize basic principles.

Mongolia. Confederation of Mongolian Trade Unions (CMTU): (d) Ensure economic democracy.

Morocco. (d) The establishment of housing cooperatives and the provision of food products and good quality equipment at lower-than-market prices.

ODC: (a) In order to achieve their objectives with regard to the economic, social and educational needs of their members, cooperatives must broaden their activities and incorporate new areas of activity. (b) A proportion of any surplus should be set aside for social purposes. (c) In order to ensure that cooperatives have their own sources of finance and to enable them to overcome the difficulties of obtaining outside finance which hinder their development and growth. (d) Reduce production costs; provide training and combat illiteracy; information.

Namibia. (a) The employment creation potential of cooperatives is limited. (d) For example, higher agricultural output; more local value addition; better housing, etc.

Nicaragua. (a) Yes, although not all countries, because of their economic differences, have the same concept of what cooperative activity is.

Norway. (d) Cooperatives are requested to promote the fundamental rights enshrined in the ILO's core Conventions.

Panama. (a) Cooperatives comprise the most important and necessary elements of job creation: human resources (members), capital (financial resources) and technology (training in production methods). (b) Cooperatives have a great responsibility in the social welfare of their members through education and the provision of services. (c) The financial self-management of cooperatives should be based on capital formation through the savings of members and investment guarantee deposits and savings. (d) Promote job creation (employment); contribute to poverty reduction; promote the establishment of ethical and moral values.

Philippines. BLE: (a) Should the instrument become a Recommendation, the cooperative members will benefit from this kind of assistance. (b) One of the organizational objectives of cooperation is human and social development. (c) Another key element of cooperatives' objectives is economic sustainability. (d) Autonomy and democratic governance, job creation and employment security.

ILS: (a) Creating employment and expanding income activities are the prime objectives of cooperatives. (b) Cooperatives have developed a new pattern of social relations that is evidently broader in its democratic base, and more effective in the process. (c) A cooperative is both a social and economic movement. It promotes not only the economic well-being of members, but also solidarity among them.

Qatar. (a) This may require a review of the objectives and policies on cooperatives. (d) Community development; contribute to the provision and improvement of educational and health services.

Saint Lucia. (d) Gender equality.

Slovakia. (d) Improve the living standard of their members and employees. Increase the country's economic potential.

Spain. (d) The instrument should serve to promote incomes and employment, entrepreneurship, democratic management, social services and the elimination of social exclusion of disadvantaged groups.

CCOO: (a) The CCOO and the European trade union movement through the European Union support the initiative to create employment through cooperatives. (c) The CCOO wishes to participate in the development of a form of cooperation which can respond to the social needs of people while creating an effective labour market. (d) Social solidarity, community service and employment promotion.

CIG: (a) There is need for a suitable policy for the creation of cooperatives in order to promote employment. (c) The development of cooperative credit and savings societies should be given priority, and consideration should be given to the involvement of the commercial banking sector. (d) Reinforce democratic structures in the national economy.

Sri Lanka. (a) Cooperatives have the potential to create employment in a variety of sectors such as agriculture and manufacturing services. (c) Cooperatives are very effective in the areas of thrift and credit. Hence there is immense potential in mobilizing savings and investment, especially amongst the lower strata of society.

Ceylon Cooperative Employees' Federation (CCE): (d) For example, environmental development.

Swaziland. (d) Health, educational and sports facilities.

Switzerland. (a) to (c) Especially in developing countries. (d) In the agricultural sector, it is essential to spread knowledge and encourage technology transfer. As regards the labour market, it is important to harmonize the needs of the economy with the social objectives of reintegration (creation of social enterprises in the form of cooperatives).

UPS: It is not necessary to promote the role of cooperatives in particular. On the other hand, persons or enterprises wishing to organize in this way, or in other ways, should be free to do so. The important thing is that freedom of contract should be respected by States. The matter of defining cooperatives should be left to national legislation.

Syrian Arab Republic. (a) By supporting cooperatives and SMEs, which help in the creation of new job opportunities and achieving full employment, which leads to economic development. (b) Providing housing, social security and health insurance for those who have a limited income. (c) Provided that cooperatives and their members could benefit from such savings, which should be tax exempt. (d) Help eradicate poverty and increase national income.

Tajikistan. (a) Yes, because many cooperatives are involved in cottage industries and traditional arts and crafts. (b) Yes, because the elimination of producers' cooperatives in the former USSR led to the impoverishment of the consumer market, a deterioration in consumer services and the loss of traditional crafts. (c) Since cooperatives are economically independent producers of goods and services, based on the principles of self-management and self-financing. (d) Reduce social tensions by creating new jobs; improve training and skills; reinforce and develop a culture of training that meets the specific needs of individual cooperatives; facilitate the acquisition of up-to-date knowledge and skills.

United Republic of Tanzania. TFTU: (a) Because the aim is to promote cooperatives which in return should create jobs and expand access to income-generating activities. (d) It is necessary to improve the welfare of the people. Furthermore, linkages between small, medium-sized and large-scale enterprises would be created.

Togo. (a) With account being taken of the shrinking of the employment market, which is sparing no country, whether developed or developing. (b) Social well-being should be one of the main concerns of cooperatives to be included in the new instrument. (d) Improvements in the quality of life, and the creation of wealth and jobs in all sectors of economic activity.

Trinidad and Tobago. (b) Improvement of social well-being of individuals will lead to improvements in communities. Improvement in communities will lead to a healthier country. Growth and development will thrive in a healthy country. (c) Increasing savings and investment will reduce the burden on governments in providing social services. Cooperatives must be seen as mediums through which members can create wealth. (d) Improve standards of living; forge links with labour and employers' organizations.

ECA: (d) Include gender equity, youth development and wealth creation among cooperative members.

CCUL: (d) Gender equity; youth development; wealth creation among lower income groups and members of cooperatives.

Tunisia. (d) Promote the democratic and efficient management of cooperative enterprises.

Ukraine. ASMPEU: (a) Less than average attention is devoted to cooperatives by legislatures and executive authorities, and provisions in this area are still inadequate.

Central Committee of the Trade Union of Workers of the Agro-Industrial Complex of Ukraine (TUWAIU): (a) Without new jobs, cooperatives will not be able to expand their activities and their economic conditions will deteriorate. (d) To reflect all the different aspects of the task of attaining economic and social objectives.

United Kingdom. (a) Individuals, communities and governments need to know the possibilities of cooperatives.

Zimbabwe. (a) Cooperatives play a vital role in reducing unemployment and they generate income. (d) In times of bereavement cooperatives should continue assisting the beneficiaries of the deceased member.

Replies were strongly affirmative to all subparagraphs, particularly (a) to (c). In regard to (d), the majority of comments proposed additional areas where cooperatives have considerable potential. The most frequently cited areas included the provision of health care, housing, training, education and business services; development of the community; protection of the environment; promotion of democracy and equality in economic and gender terms.

The Office considers these suggestions reasonable and *Point 4* of the Proposed Conclusions has been drafted accordingly.

Do you consider that the instrument should apply to all types and forms of cooperatives and to all economic and social sectors in which cooperatives operate? **Qu. 5**

Total number of replies: 95.

Affirmative: Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, India, Indonesia, Israel, Italy, Jamaica, Japan, Kenya, Kuwait, Lithuania, Malaysia, Mali, Malta, Mauritius, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Syrian Arab Republic, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Brazil, Hungary, Iraq, Jordan, Republic of Korea, Mexico, Oman, Tajikistan, United Kingdom.

Other: Algeria, Lebanon, Switzerland.

Belgium. It should be able to be adapted to the specific economic and social situation of each particular sector where cooperatives operate.

Brazil. No, problems arising with the use of the cooperative model lie in the interface with labour legislation and precisely the form of workers' or labour cooperatives. It is understood that the instrument should focus only on this mode of organization.

CNC: Yes, should the instrument adopted be a Recommendation.

CNI: Yes, subject to the replies given to Questions 1 and 2.

OCB: Yes, government support will be needed for this purpose.

Bulgaria. Cooperatives carry out their activities in all sectors. They form part of the single social and economic entity of the State.

Canada. The instrument should apply to the various types of cooperatives for which such an instrument could be sustainable and effective. It must, however, have sufficient focus to obtain results.

Chad. The instrument should not be limited in scope. This would discriminate against cooperatives wishing to come under its scope.

CST: Yes.

Chile. CPC: No, there are sectors that require special standards given their particular characteristics.

Costa Rica. The instrument should be generally applied, irrespective of the type or form of cooperative or the social or economic sector concerned.

Finland. As far as possible. However, the objective and measures of the Recommendation may have to take into account regional varieties and difference in types of cooperatives.

France. CFDT: It is undoubtedly necessary to examine the legal diversity that exists in this area in different countries — for example, cooperatives, associations and mutual societies in France.

GNC: See reply to Question 4.

Ghana. Yes, to make the instrument more comprehensive.

GEA: Yes. The structure of cooperative enterprises the world over is currently evolving to cope more effectively with competitive pressure from other forms of business organizations.

Guyana. Cooperative activities in all forms should be guided by the instrument if cooperatives are to retain their distinctive roles.

Italy. With a view to comprehensive action, but account must be taken of the principle of solidarity which characterizes the mutual association or friendly society approach as a whole.

Legacoop: In the implementation of this instrument any possible distinctions based on the type of cooperative and the economic and social sectors where cooperatives operate are not going to be major, particularly considering the objectives which cooperatives set themselves.

Japan. It is inappropriate to create separate standards depending on the types and forms of cooperatives, because it would be too complicated to implement the instrument in such ways.

Jordan. ACI: Yes, in order to have an inter-sectoral common denominator related to cooperatives.

Lebanon. This should be left to member States in the context of national laws, in the light of the proposed Recommendation; they should determine the scope of such legislation on various types of cooperatives and sectors in which the latter operate. Exceptions, when such exist, should be left to the discretion of each member State.

Malaysia. The cooperative framework for business is compatible with a variety of economic sectors within the market environment.

MEF: No, different cooperatives might have their own agenda/objectives.

Mali. Yes, to promote national and international cooperation.

Malta. Since cooperatives come under different formats in different countries.

AOC: Yes, cooperatives, independently of the sector where they operate, are governed by the same values and principles.

Mauritius. Yes, since all cooperatives function according to the same basic cooperative principles.

MLC: All types and forms of cooperatives need changes and improvements.

Mexico. No. The instrument should have sufficient flexibility to allow each country to adapt it to its own conditions and requirements.

Morocco. ODC: Yes, in as much as the cooperative sector is a unified sector.

Oman. A Recommendation containing general provisions applying to all types and forms of cooperatives would not be desirable; rather it should address each sector in which cooperatives operate.

Panama. The instrument should apply to all kinds of cooperatives, since cooperatives have to operate in open environments and provide services to third parties.

Philippines. BLE: The instrument should allow member States to adopt the type of cooperative suitable to their level of development.

Qatar. Reference should be made to "where possible", since there are many types and forms of cooperatives that cannot fulfil the functions required because of their size and role.

Senegal. The instrument could encompass general characteristics common to all cooperatives while leaving scope for particular variations among different types of cooperatives.

Slovakia. Cooperatives are able to operate positively in each field of economic and social life.

Spain. CCOO: Yes, since all forms of cooperatives, especially workers' cooperatives, in Spain, are well aware of their relationship to employment and social well-being.

Sri Lanka. The concept of a cooperative could be adopted to cover a wide range of activities in the world of work.

Switzerland. The instrument should apply first and foremost to socially oriented cooperatives, those whose purpose is to help sustain a region's economy, etc.

Tajikistan. Cooperatives should not be established in defence, medical or clinical sectors.

United Republic of Tanzania. Yes. The new instrument should be all-embracing.
TFTU: Yes, so as to have uniformity.

Thailand. Specific types of cooperatives which are extremely developed should be combined into community cooperatives which are open to all types of membership. The ideal framework for cooperatives is for them to be community cooperatives.

Togo. The new instrument should not contain restrictive provisions.

Trinidad and Tobago. The instrument will serve to guide the development and success of cooperative enterprises with some measure of consistency.

Ukraine. The cooperative model of economic management should not be used for purposes that were not originally characteristic of it.
TUWAIU: The same principles of establishing and operating cooperatives should be applied to all cooperatives.

United Kingdom. The instrument should apply to all types and forms of cooperatives, but it is possible that cooperatives are not suitable in certain sectors.

Zimbabwe. Cooperatives in all sectors are guided by cooperative principles.

Nearly all of the replies stated that the instrument should not be limited in its scope but that it should apply to all types and forms of cooperatives and to all economic and social sectors in which cooperatives operate. Several replies referred to the fact that since cooperatives are guided by, or function according to, the same principles and values, the instrument should apply to all cooperatives.

The few replies that disagreed argued that cooperatives may not be suitable in all sectors, that national laws should determine the scope, or that certain sectors could require separate standards.

Considering that the majority of replies were affirmative, the Office has decided to include the provision for wide coverage of the instrument in *Point 5* of the Proposed Conclusions.

Qu. 6 (1) *Do you consider that the framework for a definition contained in the Co-operatives (Developing Countries) Recommendation, 1966 (No. 127), is still relevant and adequate?[1] If not, what should be the definition of a cooperative?*

Total number of replies: 89.

Affirmative: Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Cambodia, Cameroon, Chad, Chile, Colombia, Costa Rica, Cyprus, Denmark, Ecuador, Estonia, Finland, Gambia, Germany, Ghana, Guyana, Hungary, Indonesia, Iraq, Israel, Italy, Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Nepal, Nicaragua, Oman, Panama, Poland, Romania, Saint Kitts and Nevis, Saint Lucia, Slovenia, Sri Lanka, Swaziland, Syrian Arab Republic, United Republic of Tanzania, Togo, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela.

Negative: Canada, China, Croatia, Cuba, Czech Republic, Egypt, El Salvador, Ethiopia, Namibia, Peru, Philippines, Portugal, Russian Federation, Senegal, Slovakia, Spain, Switzerland, Tajikistan, Thailand, Zimbabwe.

Other: Algeria, Japan, Norway, Trinidad and Tobago, Tunisia.

Bahamas. There can be some revision for compliance in the new globalized market.

Brazil. CNI: Yes, subject to the replies given to Questions 1 and 2.
OCB: No.

Burkina Faso. CNTB: No, adapt the definition to take account of globalization in terms of the internationalization of cooperatives.

Canada. The definition should be as per the ICA Statement on the Co-operative Identity of 1995.

Chad. The definition in the Recommendation is relevant and appropriate. In Chad cooperative managers prefer to use other terms, such as "association" or "group", to avoid taxation.
CST: No, the definition contained in Recommendation No. 127 is not relevant or adequate.

Chile. CPC: No, this should be left to each country.

China. The definition should be as in the ICA Statement on the Co-operative Identity of 1995.

Costa Rica. The definition of a cooperative in each country will be arrived at on the basis of a great many factors such as the philosophy of the cooperative movement as well as social, economic and cultural circumstances. However, the existing definition in Costa Rican legisla-

[1] Recommendation No. 127 states in Paragraph 12(1) that laws and regulations should include: "(a) a definition or description of a co-operative bringing out its essential characteristics, namely that it is an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organisation, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate".

tion: "Cooperatives are voluntary associations of individuals and not capital. They have a complete legal personality of indefinite duration and limited liability and the individuals who form them are democratically organized to meet their needs and promote their economic and social well-being as a means of improving their individual status and training. In forming a cooperative, the motive underlying work and output, distribution and consumption is service and not profit".

Croatia. Union of Autonomous Trade Unions of Croatia (SSSH): Yes.
URSH: Yes.

Czech Republic. The definition should be as in the ICA Statement on the Co-operative Identity of 1995.

Egypt. No. Emphasis should be placed on the common aim of cooperatives which has social and economic dimensions in order to differentiate such organizations from associations having political and cultural purposes.
FEI: Yes.

El Salvador. The definition should be as in the ICA Statement on the Co-operative Identity of 1995.

Ethiopia. The definition should be as in the ICA Statement on the Co-operative Identity of 1995.

Finland. The definition should give some general criteria which appear from Recommendation No. 127 and from Question 7 of the questionnaire. After this, reference could be made to national legislation.

France. CFDT: The general definition should incorporate certain basic concepts — democratic mode of operation, non-profit nature of the organizations, their position in relation to other forms of production in the market (e.g. with regard to taxation).
GNC: See reply to Question 4.

Ghana. GEA: No, in addition to the existing definition, it should be aimed at achieving the common economic and social goals of its members.
TUC: No, the definition should follow the ICA Statement on the Co-operative Identity.

Israel. It should be contained in the instrument itself.

Italy. Legacoop: The definition should be included, since cooperative members may be legal persons (as laid down in Italian legislation for instance for the various types of cooperatives).

Japan. Although the definition contained in Recommendation No. 127 is still relevant, it is more appropriate to apply the definition in the ICA Statement on the Co-operative Identity as an international standard.
Japan Federation of Employers' Associations (NIKKEIREN): In defining cooperatives in the instrument, reference should be made to the definition given in the ICA Statement on the Co-operative Identity.

Jordan. ACI: Yes. This definition should be developed in order to be in harmony with the cooperative principles adopted by the ICA.

Kenya. The definition should incorporate the role of cooperatives in a globalized market.

Lebanon. NFC: No. Work methods have changed dramatically in cooperatives, but principles have remained unchanged, therefore the definition laid down by the ICA should be adopted in this regard.

Malta. Reference is made to the ICA Statement on the Co-operative Identity.
GWU: Yes; however, it should be strengthened, especially regarding the social objective.
AOC: Definition should be in line with the concepts endorsed at the Congress of the ICA in 1995.

Mongolia. CMTU: Yes.

Morocco. ODC: Yes.

Namibia. It should be expanded to include cooperative principles. It should also be clear that pooling money to employ others to create a profit (without members selling or buying the goods or service) is not a cooperative but a company.

Nicaragua. It continues to be relevant, although the reference to developing countries should be eliminated.

Norway. The definition employed in Recommendation No. 127 remains relevant. If, however, the ILO wishes to amend the definition, it should take as a basis the ICA's definition in the Statement on the Co-operative Identity.

Oman. To a certain extent; it still needs development in view of changes which have occurred in the world of trade and increased globalization.

Philippines. No, the ICA definition should be followed.
BLE: Yes.
ILS: Yes.

Russian Federation. The suggested definition is as follows: "A cooperative is an organization of citizens voluntarily united on the basis of membership for the purpose of jointly carrying out economic or other activities, based on property lawfully owned by it, rented by it or made available to it free of charge, its own independence, self-management and self-financing, the financial participation of its members and a closer linkage between their own interests and those of the collective and society".

Slovakia. In principle, it is satisfactory, but it should be revised along the lines of the latest international documents on cooperatives such as the ICA's Statement on the Co-operative Identity. The definition should embody the principles of the Statute for the European Cooperative Society and requirements of United Nations resolution 47/80.

Spain. CCOO: Yes.
CIG: Yes.

Sri Lanka. Recommendation No. 127 embodies the basic characteristics of a definition which in general appears to be adequate.
MCD: Yes, to harness the experience of all sectors.
CCE: Yes, but this is not applicable in Sri Lanka.

Switzerland. The definition of cooperatives is a matter for individual States and is normally part of any coherent system of company law.
UPS: See reply to Question 4.

Togo. The framework definition contained in Recommendation No. 127 is still relevant but should be broadened.

Trinidad and Tobago. The term "business"/"business enterprise" should be included in the definition as it has connotations of accountability and responsibility which are characteristics that cooperatives need to embrace. The word "association" does not have similar connotations.

Ukraine. IUWAIU: Yes, but the framework contained in the Recommendation should be revised.

United Kingdom. However, it should also be based on the ICA Statement on the Co-operative Identity and any other sources to create a clear and relevant definition.

Do you consider that a definition of cooperatives should continue to be left solely to national laws and practice or should a definition be contained in the instrument itself? **Qu. 6 (2)**

Total number of replies: 91.

Affirmative: Argentina, Barbados, Belgium, Bolivia, Brazil, Bulgaria, Cambodia, Cameroon, Chad, Colombia, Cuba, Cyprus, Czech Republic, Denmark, Ecuador, Egypt, Gambia, Germany, Ghana, Guyana, Hungary, Indonesia, Iraq, Italy, Jamaica, Japan, Lebanon, Lithuania, Malaysia, Mali, Mexico, Republic of Moldova, Nepal, Nicaragua, Oman, Panama, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Slovakia, Slovenia, Spain, Sri Lanka, Tajikistan, United Republic of Tanzania, Togo, Turkey, United Arab Emirates, Venezuela, Zimbabwe.

Negative: Azerbaijan, Belarus, Canada, Costa Rica, El Salvador, Estonia, Ethiopia, India, Kuwait, Mauritius, Peru, Philippines, Senegal, Ukraine, United Kingdom.

Other: Algeria, Austria, Bahamas, Benin, Burkina Faso, Chile, China, Finland, Jordan, Kenya, Republic of Korea, Malta, Morocco, Namibia, Norway, Saint Lucia, Swaziland, Switzerland, Thailand, Trinidad and Tobago, Tunisia, United States, Uruguay.

Argentina. The fact that the ILO highlights universal values, while leaving countries to decide whether to adopt the instrument in the light of their own circumstances, is positive.

Barbados. The definition should be given the widest possible publication.

Belgium. The definition should continue to come under national law.

Brazil. In order to avoid the possibility that a workers' cooperative could be wrongfully used as a means of subcontracting enterprise activities so as to replace workers who are protected by labour legislation with others, it would be advisable to have a more precise definition in the instrument.

CNC. This must continue to be left to each member State's domestic legislation.

CNI. Definitions should continue to be the exclusive prerogative of national law and practice.

Bulgaria. Each country's cooperative system has its own particular characteristics. Each country must define the concept "cooperative" in its own way.

Burkina Faso. It would be preferable to include it in the instrument, while allowing for certain particular national circumstances.

CNTB. In this case, national legislation must adhere to the definition and conform to international standards.

Canada. There should be a definition contained in the instrument, an international standard and definition tied to the cooperative principles advanced by the ICA, with some allowance for national situations. This inclusion would make it possible to provide a framework for national laws and practice as well as to ensure cohesion on cooperative practices among ratifying countries.

Chile. There should be a definition that transcends the limitations of national legislation.

Costa Rica. The definition should continue to be left solely to national laws and practice. The socio-economic environment in each country is very different and therefore it is important for the ILO instrument to establish a universal definition, and then every country can adapt it to suit its own circumstances and legislation.

Croatia. SSSH: Yes.
URSH: No.

Czech Republic. Employers' organizations: Yes.

Egypt. It should be left solely to national laws and practice in view of the differences in types and forms of cooperation in member States, provided that a common denominator for the definition is reached among member States.

FEI: It should be left solely to national laws and practice, which vary from one country to another; there should be a common denominator in the definition between different States.

El Salvador. No, because it is a system that should not be restricted, in its practices or concepts.

Finland. Cooperative activities may be pursued and are pursued in different forms of enterprises. Consumer and producer cooperatives, including workers' cooperatives, differ from each other considerably. A flexible definition in the Recommendation would be useful. It could include basic principles and guidelines (as listed in Question 7), while details and variations should be left to national legislation.

TT and Palvelutyonantajat: The Recommendation does not, for instance, have to take a position on the question whether a cooperative established by one person is possible or whether several persons or communities are required in order to establish a cooperative.

Ghana. GEA: No, it should be contained in the instrument to avoid government control.
TUC: No.

Greece. PASEGES: Yes, the instrument will thus become a tool for the formulation by legislators of definitions contained in national laws.

Guyana. National laws and practice are necessary to promote accountability and to take account of local practices.

India. No, follow the definition laid down by the ICA.

Indonesia. The existing definition has reflected the cooperative identity, therefore it should be clearly defined in both national laws and cooperative by-laws including sanctions in the event of violation.

Italy. Generally speaking, with the proviso that the typical characteristics of the regulations of member States be safeguarded.

Confcooperative: The instrument should include a definition which sets out the essential characteristics specified in Paragraph 12(1) of Recommendation No. 127.

Legacoop: The definition should be left to domestic legislation, given the previous and present circumstances peculiar to each country.

Japan. A rough definition of cooperatives should be provided in the international instrument while detailed definitions are left to national law and practice. It would be inappropriate to lay down an assertive definition in the instrument without mentioning that due respect should be given the definition provided by national law and practice.

Jordan. The definition should be left to national laws; a framework should be incorporated in the instrument itself in accordance with the ICA principles on the cooperative identity.

ACI: It should be left to national laws in order to increase flexibility, taking into account the cooperative principles which should be implemented.

FICC: The instrument itself should contain a definition of cooperatives.

GFJTU: It should be left to national laws.

Lebanon. NFC: Yes. The cooperative system exists all over the world; there is no objection to including a definition in the instrument itself.

Malaysia. The instrument should adopt a definition similar to that stipulated in national law and practice.

MEF: Yes, in national law.

ANGKASA: Yes, in both.

Mali. Yes, their universal character should be included in the instrument.

Malta. Malta Employers' Association (MEA): No, as much latitude as possible should be allowed to individual States.

GWU: No, there should be a definition of cooperatives.

Mauritius. MLC: A universal definition is better than one left solely to national law and practice. Each country has its specific realities and these should be included in cooperative laws.

Mexico. The definition of cooperatives should continue to be a matter for national legislation and practice.

Morocco. It should be left to Members to define cooperatives in accordance with national laws and practice, taking into account the difference in the definition between cooperatives and similar establishments such as economic associations and businesses, since they have different concepts and objectives.

ODC: Yes. Given that principles on which cooperatives are based in many countries are international and commonly shared, they should be reflected in any laws and regulations of countries concerned with cooperatives.

Nepal. A universally recognized definition of cooperatives should be developed in consultation with the ICA, with special emphasis on labour cooperatives.

Nicaragua. The instrument should have its own definition which includes reference to Recommendation No. 127 and excludes reference to developing countries.

Norway. A definition of cooperatives should be contained in the instrument itself. The Recommendation should assume that a cooperative is an economic entity, operating independently and free from interference, under the same rules and conditions as commercial and manufacturing companies.

Oman. According to the social and economic conditions and political structure of each member State.

Panama. The instrument should contain a framework or general definition similar to that established by the ICA, and each country could lay down specific provisions in its laws.

Philippines. No, it should follow the ICA definition.

BLE: Yes, cooperatives such as industrial workers' cooperatives (IWCs), industrial homeworkers' cooperatives (IHCs) and community-based enterprises (CBEs) still fall within the definition contained in Recommendation No. 127.

ILS: A standard framework could be formulated but the definition should be based on national law and the culture and norms of the communities involved.

Qatar: Each Member is entitled to lay down a definition of cooperatives, but this does not prevent the instrument from including a definition of cooperatives which can be used as a guideline.

Russian Federation: There should be an international definition of a cooperative, but countries should define the concept in the light of their own particular circumstances.

Saint Kitts and Nevis: The present practice of outlining the basic principles in the Recommendation is adequate.

Spain: This issue should be left to national law and practice. The instrument should be limited to providing general guidelines based upon the basic values and principles of cooperation.

CCOO: The instrument should contain a definition of a cooperative in line with that of Recommendation No. 127.

CIG: Yes. Efforts should be made to avoid a rigid definition and take into account national practice and development.

Sri Lanka: Leaving the definition to national laws and practice would be more desirable as it would be formulated to suit the local condition.

MCD: It should be laid down by national law.

CCE: A definition should be contained in the instrument itself.

Switzerland: The definition of cooperatives should be a matter for national law, since it ensures internal consistency of company law. The ideal legal framework needed to attain the social objectives varies according to the applicable national law. There is therefore no reason to include this in the instrument.

Tajikistan: There should be a general definition of cooperatives in the instrument itself, but in practice the specific national characteristics of the cooperative movement in each country need to be taken in account.

United Republic of Tanzania: A general definition could still be given in the instrument.

Togo: The new instrument should contain a definition of cooperatives that is as broad as possible.

Trinidad and Tobago: If cooperatives are to be monitored and assisted at the international level, there must be some commonality. A definition common to all cooperatives will facilitate this.

Tunisia: To allow the necessary flexibility in the application of the instrument, a definition of cooperatives should continue to be left to national law and practice.

Ukraine: The instrument should include a definition, since otherwise different interpretations will lead to difficulties with regard to international normative concepts.

ASMPEU: Include a definition in the instrument itself. The definition of cooperatives should be an international one. It will be possible to analyse levels of development in different countries and draw appropriate conclusions.

United Arab Emirates: To provide flexibility for national law in defining cooperatives according to the situation in each country.

United Kingdom. The instrument should contain a definition that gives individual countries guidance for use in their national laws and practice. The name "cooperative" is still contentious in some places and needs definition.

The vast majority of replies considered that the framework for a definition contained in the Cooperatives (Developing Countries) Recommendation, 1966 (No. 127), is still relevant and adequate, namely that a cooperative *"... is an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate"*.

A substantial number of replies, however, preferred the ICA definition of cooperatives as contained in the Statement on the Co-operative Identity, namely that *"a co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise"*.

A few replies proposed other definitions which also concur more with the ICA definition.

In reply to Question 6(2), a number of comments indicated that the definition of cooperatives should be left solely to national laws and practice. However, the vast majority of comments stated that the framework for a definition should be contained in the instrument. Many comments further specified that it would be up to national laws and practice to adapt the framework to their own specific conditions.

The Office considers the framework for a definition to be of pivotal importance, as numerous member States have over the years based their cooperative legislation on the ILO definition. It has therefore decided to retain the definition contained in Recommendation No. 127, but proposes to replace the term "undertaking" by "enterprise" in the English version in order to harmonize the texts in English and French, and to bring the ILO definition closer to the one contained in the ICA Statement. *Point 6* of the Proposed Conclusions has been drafted accordingly.

Should the instrument encourage the promotion and strengthening of the identity of cooperatives based upon the following unique characteristics:[1] **Qu. 7**

(a) voluntary and open membership;

(b) democratic member control;

(c) member economic participation;

(d) autonomy and independence;

(e) education, training and information;

[1] These are the universal values and principles as expressed in the Statement on the Co-operative Identity, 1995, of the International Co-operative Alliance.

(f) cooperation among cooperatives;

(g) concern for the community?

Total number of replies: 94.

Affirmative: Algeria ((c) to (g)), Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile ((a), (b), (d) to (f)), China, Colombia, Costa Rica, Croatia ((a) to (f)), Cuba, Cyprus, Czech Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Kuwait ((a), (b), (d) to (g)), Lebanon ((c), (e) to (g)), Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova ((a), (b), (d) to (f)), Morocco, Namibia, Nepal, Nicaragua, Norway ((a), (c) to (g)), Oman, Panama, Peru, Philippines, Poland, Portugal, Qatar ((a) to (c), (f) and (g)), Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland ((a), (b), (d) to (g)), Syrian Arab Republic ((c), (e) to (g)), Tajikistan, United Republic of Tanzania ((a) to (d), (f) and (g)), Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Croatia (g), Kuwait (c), Republic of Moldova ((c) and (g)).

Other: Algeria ((a) and (b)), Chile ((c) and (g)), Lebanon ((a), (b) and (d)), Norway ((b)), Switzerland ((c)), Syrian Arab Republic ((d)).

Austria. AFEA: (a) to (c) and (e) Yes. (d), (f) and (g) No.

Bahamas. (g) These characteristics strengthen the spirit of cooperativism.

Barbados. BWU: (a) This is needed in order to avoid prejudice. However, a common bond should be established for some cooperatives, for example, agricultural workers' cooperatives. (b) Workers should always have the right to join the organization of their choice. (d) Some leverage should be given to cooperatives in order to learn from mistakes and gain from their experiences. (e) Since cooperatives are governed by ordinary members who need not have attained a very high level of education, continuing education, training and information would be very important in order to guide the directors and enhance the social well-being of the members. This can only have positive results for cooperatives, as members with this new sense of self-confidence will save and invest more in the organization. (f) Not enough attention is paid to this area and trust plays a major part in its success. Linkages, however small, could revolutionize this sector in terms of reducing costs.

Belgium. (a) Already laid down in Belgian regulations in order to obtain ministerial consent (with certain advantages, particularly in the area of taxation). This applies to (b) and (c) as well. In order to be consistent the instrument should encourage and strengthen cooperatives' support for those points laid down in Paragraph 12 of Recommendation No. 127. This applies to (d) and (e) as well. (f) But such cooperation should be encouraged only. (g) As above; encourage cooperatives to commit themselves to the community.

Brazil. (a) to (d) Voluntary membership is essential to maintain the underlying philosophy of the cooperative movement. Generally, in the case of fraud, this characteristic is not found.

(e) In cases where the cooperative system is found to have been abused, these principles are not in existence either. (f) The instrument should open the way to a stronger system. (g) The cooperative system must be in touch with community interests.

CNC: (a) to (g) Yes, if the instrument to be adopted is a Recommendation.

CNI: (a) to (g) Yes, subject to the replies to Questions 1 and 2.

Bulgaria. (a) Voluntary and open membership is the fundamental principle and characteristic of cooperatives. (b) Democracy in cooperatives is based on democratic member control. (c) The greater the economic participation of a cooperative's members, the more economically stable the cooperative will be and the greater the number of jobs created. (d) Cooperatives should enjoy autonomy and independence like any privately owned enterprise. (e) Contemporary market conditions and globalization mean that managers must have a high level of education and training and must be well informed. (f) Cooperation among cooperatives allows effective use of production and human resources. (g) Developing a cooperative system leads to the development of society itself.

Burkina Faso. (a) Cooperatives are organizations based on voluntary participation. They must accept all persons who are able and willing to use their services. (b) This is one of the main guarantees of cooperatives' sustainability. (c) The members should contribute to forming capital. (d) This is one of the conditions crucial to its survival. A cooperative needs these provisions to function freely and with dignity. (e) This is the cornerstone of a cooperative's success. It will enable its members to enhance their skills. (f) This will strengthen the cooperative movement. (g) As members of a community, cooperative members should take an interest, on their own initiative, in the development of their community.

CNPB: (a) This is essential if it is to be applicable. (b) Authoritarian acts at the national level have no chance of succeeding today. (c) This proves that they have faith in them. (d) It must be an association that is formed freely. (e) These ensure transparency and visibility. (g) Solidarity is part of the basis of every cooperative.

CNTB: (a) In order to be true to the cooperative spirit. (b) Each of its members having contributed an equal share, cooperatives should be democratically controlled. (d) Autonomy is the cornerstone of a cooperative's success and sustainability. (e) Continuous training to acquire a better knowledge of the cooperative spirit. (f) Yes, in certain conditions. (g) While adhering to the general principles.

Canada. (g) This commitment can vary in accordance with the type of cooperative. In addition, reference should be made to the ICA cooperative principle on concern for community, which stipulates that cooperatives work for the sustainable development of their communities through policies approved by their members.

Chad. CST: The instrument should encourage the promotion and strengthening of the identity of cooperatives on the basis of subparagraphs (a) to (g).

Chile. (a) However, a cooperative cannot be obliged to accept new members if it does not wish to do so or if it lacks the capacity to serve them. (c) However, the reserves that are not indivisible should not be overestimated, except for certain types of cooperatives. (d) Yes, this should be one of the objectives of promotion activities.

Costa Rica. It is important for every country to take account of the seven cooperative principles laid down by the ICA.

Croatia. (g) No, it is too detailed.

SSSH: (a) to (g) Yes.

URSH: (a), (b), (d) to (g) Yes. (c) Not necessarily, as someone could participate with his or her labour only.

Denmark. FDC: (a) to (f) Yes. (g) Yes, through policies approved by their members.

Egypt. (b) Members should be entitled to control the organizations they have established through general assemblies. (c) Not only participation but also formulating policies. (d) Should be one of the features of cooperatives. (e) Key to any successful action. (g) Cooperatives should play a role in developing the community and be concerned about members' interests.

FEI: (a) Yes, since such membership involves effective and positive participation by members. (b) Yes, members are entitled to control the institutions they have established. (c) Yes. Not only economic participation but also involvement in the formulation, follow-up and implementation of policies. (d) Yes. Autonomy should be one of the features of cooperatives, to provide them with more flexibility and make them more competitive. (f) Yes. Networking among various types of cooperatives and consolidation between various types of cooperatives have been successful in some countries. (g) Yes. Cooperatives must have a developmental role and should pursue the interests of members.

El Salvador. (a) Retain the autonomy of the members. (b) Freedom of decision. (c) According to their abilities. (d) Of the enterprise as a whole. (e) Lifelong learning for the evolution, advancement and development of cooperatives. (f) To create the conditions to improve goods and services. (g) To have a social, economic and cultural impact.

Ethiopia. (a) to (g) These are the principles of cooperatives and should therefore be appreciated.

Finland. (a) to (g) These are the universal principles and values adopted by the ICA. This inquiry has not sufficiently considered in what way the challenges of professionalism are addressed in cooperative and social enterprises. The new business activities should be able to meet the challenges of the third sector, considering the high skills requirements. One cannot compromise over the quality level of social and health care work, for example, especially as regards clients who are difficult to attend to. (a) Although this is the current stage, pressure towards closed membership similar to that already seen in new-generation cooperatives in North America can also be observed in Finland, when cooperative entrepreneurship is combined with contract farming of some special products. In certain specific situations, however, closed membership should be made possible as an exception to the main rule of open membership. (b) In primary cooperatives, democratic member control is important, and is often the argument for joining or establishing a cooperative. In secondary cooperatives different requirements are acceptable, for instance a plural voting system. As Finnish cooperatives vary considerably as regards the need for capital, the need to deviate from the one member-one vote principle has started to be discussed in primary cooperatives as well. (c) The commitment of the members will be strengthened when there is some economic input (input can also be given in the form of work). (d) Cooperatives must be recognized as part of the private sector. Under all circumstances they should be treated in a non-discriminatory way. (e) Cooperatives should be more responsible for their members than other firms. They can be encouraged, but it is up to the cooperatives themselves to decide. (g) The more the cooperative is linked with a competitive environment, the more vague the meaning of this principle is for the cooperative.

STTK: (c) No, if this means only financial investments.

SAK and STTK: (g) The main responsibility of cooperatives is towards members, while concern for the community can also remain at a more general level.

Confederation of Finnish Cooperatives (Pellervo): (a) to (g) Has also accepted the principles and values for guidance of its activities.

France. CFDT: (a) to (e) Yes. (f) Yes. Creating networks is very important.

GNC: See reply to Question 4.

Ghana. (a) To reflect cooperative values. (b) To enhance active participation in decision-making. (c) To enhance cooperative values. (d) To enhance self-help and self-responsibility. (e) To enhance knowledge and skill acquisition of members. (f) To enhance solidarity.

(g) Employment generation. Provides an effective base for disadvantaged groups to organize themselves for economic and social benefits.

GEA: (a) and (b) Yes, because the era of compulsory membership in cooperatives has come to an end with the advent of structural adjustment and liberalization policies. (c) That will enjoin members to actively participate since a fair share of the risk would be borne by them. (d) To enable them to formulate their own policies to ensure growth and prosperity. (e) This will result in human resource development which will help their members increase their level of education and professional skills. The negative impact of adjustment on workers and the population would thus be minimized. (g) To reintroduce the family structure which for some time served as a reliable and effective system of social security.

TUC: (e) Yes, to enhance skills development and enable members to contribute effectively. (f) Yes, to promote mutual understanding by working together through local, national, regional and international structures. (g) Yes, for rural integration.

Greece. PASEGES: (a) to (g) Yes.

Guyana. (a) Voluntary association is the linchpin of cooperatives. The instrument must promote this concept. (b) Democratic control based on election of executives at given intervals is a necessary requirement for cooperatives. (c) Without economic participation by members, the whole base of the cooperative would disintegrate. (d) This is also an essential characteristic of cooperatives. (e) Training is the key factor in promoting efficiency and effectiveness in cooperatives. Information on activities must be readily available to participants. (f) Cooperation is necessary for sharing of experiences, etc., and holding cooperatives together. (g) Cooperatives are usually community-based and supported, hence they are linked to the community and community well-being.

India. (a) Membership should be open and voluntary only for those persons who are able to use the service and willing to abide by the responsibilities of membership.

Indonesia. (a) Cooperatives are open to all persons who are able to use their services and willing to accept membership responsibilities, without gender or other discrimination or pressure. (b) Basically, members actively participate in setting their policies and making their decisions. Cooperative organizations are controlled by their members, who have equal voting rights. (c) The capital of cooperatives is contributed equitably and democratically controlled by its members. Benefits are given to the members in proportion to their transactions with the cooperative. (d) Cooperatives are basically self-help and autonomous organizations. Hence, government and other organizations should not intervene in cooperative affairs. However, they are allowed to provide assistance to support the growth of cooperatives. (e) In principle, it is the task of cooperatives to provide education, training and information to their members, managers and employers, so they can contribute effectively to the development of their cooperative. (f) Partnership among cooperatives is an effective strategy to create synergy and strengthen their business, thereby optimizing members' services. (g) Cooperative members are part of the community, therefore concern for the community also means concern for the members. Hence, the existence of cooperatives also benefits the immediate community as a whole.

Employers' organizations: (b) Democratic member control is specific to cooperatives. (e) Education, training and information are essential. (f) Cooperation among cooperatives is needed. (g) This is an objective of cooperatives.

Workers' organizations: (g) Yes, it depends on community needs.

Italy. (d) In accordance with the provisions and standards in force in every member State. (e) In accordance with the policies already adopted and implemented in the European Union. (f) It is undoubtedly desirable, particularly in the development and extension stage.

Japan. Since these items are also included in the ICA Statement and comprise the underlying characteristics of cooperatives, the instrument should encourage the promotion and

strengthening of the identity of cooperatives based upon these unique characteristics, while taking into account the ILO mandate. In particular, from the viewpoint of the ILO, it is expected to have a favourable influence on employment through the encouragement of such characteristics as (e) in particular. Furthermore, equal participation and fair treatment for men and women should be included in (a) to (g), and should be specified in the instrument.

Jordan. ACI: (g) Yes, with emphasis on the last principle; political, ethnic and religious neutrality.

Kuwait. (a) Membership should be optional, without any obligation, irrespective of sex, colour or race. (b) Members of cooperatives should enjoy the same special rights in the running of cooperatives. Democratic equality should be demonstrated in the general assembly meetings; the right to vote (one vote for each member, irrespective of the number of shares); board membership (candidature to become member of the board). (f) In order to achieve harmonization, understanding and integration among cooperatives to serve society.

Lebanon. (a) Voluntary and according to the conditions of membership. (e) Yes, within the resources available. (f) Yes, within the framework of laws governing cooperatives. (g) Yes, since this is inherent in their objectives.

MHC: (a) to (g) Yes.

NFC: (a) Voluntary membership is fundamental, since there is no coercion, so that it does not take the form of wage employment without any commitment by the member to preserve the cooperative's interest and future. As to open membership, rules should be established to prevent cooperatives from opening themselves up to all kinds of contingencies. (b) Control by members is the most important advantage, since they own cooperatives and should benefit from their democratic advantages. (c) If members are not accountable, the cooperative would become a social club and not an economic body, taking care of members' affairs, and particularly their economic interests. (d) By taking the right decision emanating from cooperative activities, without taking members' commitments into account. (e) These require action before and after establishing the cooperative in order that it can achieve the designated objectives. (f) Cooperation is essential, so that products can be delivered directly from the producer to the consumer, which would reduce prices and ensure good quality. (g) As long as members and the cooperative are from the community, the cooperative can become a partner of society and convince it that cooperative action is best.

Mali. (a) Maintain the cooperative identity. (b) Self-management, self-monitoring. (c) Self-commitment; solidarity among members; self-management and self-monitoring. (d) This is an element of civil solidarity. (e) Strengthening of management capacity. (f) Development of umbrella structures. (g) As an instrument of social and economic organization and an economic agent for employment promotion.

Mauritius. (a) This has always been one of the basic principles of cooperatives. (c) A cooperative organization is a socio-economic organization. (d) But it should operate within the parameters of cooperative legislation. (e) These are fundamental to the promotion, growth and development of cooperatives. (f) If only to attain economies of scale. (g) This is in line with the social motive of cooperative models.

Mexico. (a) Membership should be based on free and voluntary participation of people convinced of the benefits of membership. (b) There should be enough flexibility to ensure democratic management and encourage horizontal organizational structures. (c) It is important to establish fundamental equality between men and women members in terms of rights and obligations. (d) The modern cooperative movement must be based on the principle of autonomous management and oversight. However, there should be some flexibility to allow government intervention in countries where cooperatives need support, especially women's cooperatives. (e) Include courses on the cooperative model of management in formal education

programmes with a view to training professionals. (f) Formation by cooperatives of federations, unions or other types of legally recognized associations lead to mutual benefits in terms of information, education and training. (g) Society in general benefits from the creation of cooperatives, since they generate employment and help to ensure that all goods and services offered by cooperatives are available to their communities.

Mongolia. CMTU: (a) to (g) Yes.

Morocco. ODC: (a) So that cooperatives can open their membership to more people and allow them to benefit from their services. (b) In order to ensure the autonomy of cooperatives and enable them to attain their objectives without state intervention, cooperative members must be given the opportunity to participate in the management and supervision of programmes. (c) To enable members to participate in production, give them access to the market and enable them to enjoy the benefits of services and activities as well as sharing in any risks. (d) In order to ensure that cooperatives operate as autonomous enterprises capable of achieving their objectives without state assistance. (e) In order to inculcate the spirit of cooperation and solidarity among members and improve their educational and cultural level. (f) This cooperation should enable cooperatives to benefit from one another's resources and services and coordinate their efforts to solve various problems. (g) Given that cooperatives are a means of achieving local development, they should be involved in the implementation of programmes in different areas (health, combating illiteracy, etc.).

Norway. (b) Employees must be guaranteed the right to information and consultation, and to be represented on the governing bodies of cooperatives.

Oman. (c) To promote the role of cooperatives in serving society. (d) In order to take appropriate decisions in providing services and developing potentials. (f) To promote and develop cooperative perspectives in serving local communities.

Panama. (a) The concept of the voluntary nature of cooperatives should be maintained, and cooperatives should be open and without any discrimination as regards income, subject only to restrictions regarding connections. (b) Global policies and decisions should be adopted democratically and this principle should be maintained. (c) Emphasis should be placed on the responsibility of members in contributing to capital formation so as to avoid external dependency. (d) Cooperatives should maintain their character as private, non-governmental organizations which belong to civil society. (e) Every cooperative should be a genuine educational organization and body for its members and the community as a whole. (f) Cooperatives should cooperate among themselves and practice horizontal and vertical integration in the respective countries and at the international level. (g) Sustainable development of communities is an obligation which cooperatives assume with regard to their members. In this way they contribute to national development.

Philippines. BLE: (a) Voluntarism is the essence of cooperatives. (b) An ideal cooperative organization is guided by democratic principles. (d) These are key elements towards sustainability. (e) As in the case of other associations, education, training and information are basic principles that guide the members towards strategic business thinking. (f) In most situations, cooperatives grow through cooperation with other cooperatives. (g) Cooperatives should be encouraged to have social responsibility.

ILS: (a) As an entity, a cooperative is generally neutral on political and religious issues. But as citizens, individual members are not bound by this principle. Cooperatives, however, may find it necessary, in the interest of the movement, to take a definite stand on matters of legislation which may affect their interests or those of the community. (b) A cooperative promotes not only loyalty but also technical skills and business training among its members. For this reason it sets aside a portion, usually 5 per cent of its budget and/or its earnings, for educational projects and programmes for its members. (c) Where possible, cooperative associations

cooperate with each other on a district, regional, or larger basis for purposes of publicity, education, improvement of techniques, solution of common problems, or expansion of business. Operating under this principle and practices, cooperatives have evolved as a distinct economic form or system. (d) Cooperatives operate on the principle of the common good and service.

Qatar. (a) This is fundamental to cooperative action; limitation can take place when necessary according to the assessment of each member. (b) This should be a pillar of cooperatives. (c) Without participation cooperatives cannot be viable. (f) This would be beneficial for cooperatives and for the beneficiaries of cooperatives.

Saint Kitts and Nevis. (d) Subject to regulation and monitoring by national agencies and confederations. (e) This process to be assisted jointly by the social partners. (f) Confederations can be effective in monitoring regulation, and in protection through reinsurance and refinancing. (g) Must be a recognized institution in society.

Spain. CCOO: (a) Yes, Spanish law explicitly mentions the concept of cooperation and the basic values and principles of the ICA, with which the CCOO agrees. (c) Yes, it is important to ensure that all workers in cooperatives are also members. (e) Yes, it is necessary to continually raise the level of education of cooperative members.

Sri Lanka. (b) Adoption of democratic control would be necessary to ensure sustainability of the organization. (d) This is necessary for it to function as a separate entity. (e) These are basic requirements for effective management of the organization. (f) In order to enhance competitiveness and strengthen financial viability, cooperation among cooperatives is desirable.

MCD: (a) They will participate actively. (b) They can disseminate this knowledge. (c) Share the income. (d) They can innovate. (e) Access to new thinking. (f) More understanding. (g) Equal benefits.

Switzerland. (c) There is a difference between participation in terms of shared capital and participation in terms of shared social purpose. Swiss law allows the establishment of cooperatives without share capital. However, the social purpose should include the promotion of members' economic interests through joint action.

Syrian Arab Republic. (d) Autonomy from oversight authorities concerning their by-laws. (e) Education and training in cooperative objectives which enhances the theoretical and practical experience of members. (f) Within similar sectors to increase the practical experience of cooperatives and their members, which would help them attain their economic and social objectives; cooperation among cooperatives through specific federations and the general federation in order to create an enabling environment for cooperative activities; unification of their objectives to improve the material and intellectual levels of members of the cooperative movement.

Tajikistan. (a) The definition of a cooperative is a voluntary association of citizens that exists for the purpose of joint economic activity. (e) This is necessary to enable cooperatives to operate and survive under market conditions. (f) As associations of employers, cooperatives should form associations at the sectoral or regional level. (g) In addition to production (and services), cooperatives help create employment for members of society (hence the community).

Togo. (a) All cooperatives should be based on voluntary and open membership. (b) This will be demonstrated through their participation in decision-making processes. (c) This is key to the survival of cooperatives. (d) These must necessarily characterize cooperative action. (e) these offer undeniable advantages for members, cooperatives and society as a whole. (f) With the globalization of the economy, cooperatives should not live in autarky. (g) Commitment to the community is desirable.

Trinidad and Tobago. (b) This characteristic should be reviewed, as the practice of democratic member control does not always result in the selection of competent management or decision-making that is beneficial to cooperatives. (c) Economic activities are critical to the growth and development of cooperatives. Since members expect to benefit from the success of the cooperative they should also expect to contribute towards this success. (d) This would safeguard the rights of the cooperative, its members and its independence as an organization. (e) Because membership is voluntary and open, education, information and training will help develop the competence required for the success of cooperatives. (f) This will contribute to the strengthening of the cooperative movement and enable it to compete in the global marketplace. (g) Giving support to the community may result in the community supporting the cooperative. This in turn may result in the development of a healthy environment that is supportive to the growth of the cooperative.

Ukraine. TUWAIL: (a) to (g) Should be included in the instrument.

United Arab Emirates. Federation of Chambers of Commerce and Industry (FCCI): (e) No. Information and education policies are important instruments which, if left to the discretion of cooperatives, may result in policies that might conflict with general state policies.

United Kingdom. (c) But it should be noted that members may not necessarily be involved in economic participation, for example in cooperatives requiring input of time or other resources. (d) to (g) As an ideal, not a definite characteristic.

The provision that the instrument should encourage the promotion and strengthening of the identity of cooperatives based on the unique cooperative characteristics was strongly supported by the replies. The comments generally underscored the validity and importance of these characteristics, which correspond to the universally adopted cooperative principles as expressed in the ICA's Statement on the Co-operative Identity. Regarding subparagraph (g), some comments noted that "concern for community" could vary according to the type of cooperative and that it would depend on the policies approved by members. It was also pointed out that equal participation and fair treatment of men and women should be a cross-cutting issue in all the cooperative principles.

The Office has decided to replace the term "unique characteristics" by "cooperative principles", and to include the modified provision as *Point 7* in the Proposed Conclusions.

Should the instrument encourage measures enabling cooperatives to respond to the needs of disadvantaged groups in society? If yes, what should such measures include? **Qu. 8**

Total number of replies: 93.

Affirmative: Algeria, Austria, Azerbaijan, Bahamas, Belarus, Belgium, Benin, Brazil, Bulgaria, Burkina Faso, Cambodia, Canada, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, El Salvador, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Mali,

Malta, Mauritius, Mexico, Republic of Moldova, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, Uruguay, Venezuela, Zimbabwe.

Negative: Argentina, Barbados, Cameroon, Chile, Estonia.

Other: Chad, Egypt, Japan, Lebanon, Morocco, Switzerland, United States.

Argentina. Such measures are implicit in the fundamental cooperative principles.

Azerbaijan. Provision of tax concessions for cooperatives that create jobs for disabled people, women and other socially disadvantaged groups.

Bahamas. Accessibility to its services, provide more flexible regulations for entry participation.

Belgium. Incentives, measures to reduce social security contributions, a public procurement contract clause (e.g. financial soundness criteria). Access to these measures should not be automatic and there should be control to avoid abuse.

Brazil. Provide facilities for obtaining funding together with public bodies.
CNC: Yes, if the instrument adopted is a Recommendation.
CNI: Yes, subject to the replies to Questions 1 and 2.

Bulgaria. Provision of state subsidies to cooperatives to create new jobs for the disabled.

Burkina Faso. Support of institution building and enhancing the professionalism of cooperatives, effective integration of women in cooperatives, promotion of income-generating activities open to disadvantaged groups.
CNPB: These measures should be aimed at levelling social inequalities for the sake of national solidarity.
CNTB: Tax breaks, access to credit, facilitating their access to land.

Canada. Measures should include provisions promoting universal access to education and training on cooperative principles and administration, familiarization programmes for those interested in administrating or participating in cooperatives, adequate linkages between social assistance benefits and income generated from cooperatives, financing by established cooperatives, some public funding and other methods such as foundations.

Chad. Cooperatives managing incomes could contribute towards setting up an account, a social security fund to meet the needs of disadvantaged groups. Cooperatives creating jobs should allow free and easy access for disadvantaged groups.
CST: Yes, the instrument should encourage measures enabling cooperatives to respond to the needs of disadvantaged groups by providing village credit, through other support and assistance measures, and by enabling them to benefit from the experience of other cooperatives.

Chile. CPC: Yes: tax exemptions, labour flexibility measures.

China. Organization, education, training and information.
Macau: Promotion of the cooperative system through the media with an explanation of its objectives and advantages; the national legislation of each State should facilitate implementation in accordance with its own characteristics.

Costa Rica. Yes: support and promotion of training for trainers in both public and private institutions that assist in the development of the cooperative system.

Croatia. Making stronger networks, creating jobs.

SSSH: No.

URSH: Yes: special job opportunities for the disadvantaged.

Cyprus. Employment and training.

Czech Republic. Yes: tax relief or other advantages.

Egypt. Provide information on these groups; simplified procedures to hire such workers; provide incentives to these groups.

FEI: No.

ETUF: Yes: provide facilities for credit, guarantee loans, tax and custom duties exemption, encourage marketing of production cooperatives.

El Salvador. Greater participation in programmes which benefit local communities, particularly educational ones.

Estonia. **EAKL**: Yes: advantages and benefits in economic participation.

Finland. Those carrying out cooperative activities are responsible for the decision regarding any measures. These could include various forms of support, such as tax relief, already in use in certain countries. New methods could also be sought for employing those who are in a weak labour market position. One could also consider the arrangement of working opportunities and assistance in securing basic services. Training, loans and networking are important as well.

SAK and **STTK**: Cooperatives might give new groups a chance of participation in the economic and social life of society and create activities in areas where profits are not big enough to interest other enterprises (see also (a) to (d) in Question 4). However, it is for the cooperatives themselves to decide how they operate. A Recommendation can only give examples.

Pellervo: Does not support measures enabling cooperatives to respond to the needs of disadvantaged groups.

France. **CFDT**: This is one of the general objectives, but the cooperative, mutual or associative system cannot be defined solely in terms of helping disadvantaged people — it has a broader economic role.

GNC: As the preliminary report states (page 46), cooperatives are well suited to meet new social needs. Their advantage lies in their entrepreneurial, democratic and participatory nature, and in the fact that they form indivisible reserves, which ensures sustainability. The new ILO instrument should encourage the adoption of the cooperative structure as a means of meeting these new needs. It should also make these cooperatives eligible for any employment subsidies provided by the relevant authorities, as well as tax concessions in return for the cooperative's role in assisting disadvantaged groups.

Germany. No discriminatory regulations, such as high minimum capital, self-help, additional financial measures, such as special funds.

Ghana. Income generation, poverty alleviation, life quality enhancing benefits.

GEA: Yes, fighting against the worldwide conditions that pose severe threats to the health, safety, peace, security and well-being of people.

ILC: Yes, through policy dialogue, technical cooperation and collection and dissemination of information.

Greece. **PASEGES**: These measures should include primarily an economic motivation, as well as legislation that protects cooperatives in a discrete way, without this legislation

becoming a greenhouse that will stifle member interest and participation and thus have a negative impact on the cooperative.

Guyana. Members of cooperatives are better placed to understand the needs of disadvantaged groups within their communities. The instrument should include provisions for guiding such involvement.

India. It should be left to the members to decide. No set policy should be imposed.

Indonesia. In principle, all members of society should be treated equally; however, the number and types of business should be taken into account in order to increase their efficiency and bargaining position.

Italy. Measures conducive to the delivery of services to the individual and to the integration of the underprivileged within national production.

Confcooperative: Yes. In the light of the experience of the Italian social cooperative movement, a development which has been followed by that of Spain, Portugal and more recently France, there should be introduced into every country's domestic legislation a specific form of cooperative organization that has a high social mission.

Legacoop: Yes. The measures to be adopted should be indicated in the instrument in general terms and could concern tax or social costs, without overlooking training activities.

Japan. Cooperatives should be promoted so as to ensure that the cooperatives created by disadvantaged groups in society could provide means of active social participation. However, whether measures should be promoted to enable cooperatives to respond to the need of disadvantaged groups in society, should be considered in the light of economic and social conditions and the roles played by cooperatives under such conditions. It is not appropriate to encourage such measures uniformly in the international instrument.

JTUC-RENGO: Cooperatives should be provided with advantages such as tax benefits and promotional government benefits, compared to ordinary enterprises.

Jordan. Optimum utilization of local resources, encourage and support disadvantaged groups and provide facilities to these groups.

ACI: Encourage disadvantaged groups to set up industrial, agricultural, commercial, housing or other types of cooperatives and exempt them from taxes and levies; utilize resources available in the local community.

GEFTU: Yes, it is necessary to find ways and means to establish contacts with disadvantaged groups in order to assist them.

Kenya. Especially measures targeted at providing social services to disadvantaged groups, such as free medical care and subsidized education for family members. This would be easily achieved if the disadvantaged groups have sizable representation and active participation in the administrative structures of the cooperatives.

Kuwait. Provide services to society, eliminate intermediaries, combat exploitation, combat monopolies, increase productivity, combat price manipulation.

Lebanon. This should be within the capabilities of cooperatives. Measures to be taken by cooperatives include allocating jobs for disabled people according to their qualifications and competencies, and providing opportunities for disadvantaged groups in order to benefit from cooperative services in a facilitated manner without any discrimination against other groups of society.

MHC: A mechanism should be established to enable disadvantaged social groups to assimilate cooperative principles. Popularizing these principles would improve access to cooperative models of management.

Malaysia. MTUC: Political voice, participation in decision-making.

Mali. Exemption from fiscal measures, customs relief with or without share capital.

Malta. Yes, an orientation for social justice.

MEA: Remove all obstacles in the way of disadvantaged individuals to full participation in cooperatives.

GWU: This is one area where cooperatives show their social concern.

AOC: The creation of funds and support services to be targeted for specific aims and activities towards the needs of disadvantaged sections of society.

Mauritius. Creation of jobs and safety nets through cooperatives. Cooperatives can provide services at lower rates than purely commercial entities.

Mexico. Consideration could be given to ways of responding to the needs of disadvantaged social groups within cooperatives.

Mongolia. CMTU: It should be left to national laws and practice.

Morocco. The legislation in Morocco provides for the promotion of cooperatives in remote areas.

ODC: No. Creation of cooperatives for the benefit of unemployed youth.

Namibia. But only where it is not detrimental to the finances of the cooperative and where it is appropriate.

Nepal. National legislative measures should be formulated to give special support to establishing cooperatives for socio-economically backward and disadvantaged groups in society.

Oman. Services should be provided to disadvantaged groups in accordance with and to the extent allowed by their regulations.

Panama. The study, design and application of social and economic services in accordance with the needs of vulnerable groups, and in particular unemployed young persons, women and rural and urban ethnic minorities.

CACPYMER: Yes: social work and support for marginalized and low-income groups.

Philippines. BLE: The formulation of a national cooperative program.

ILS: Measures may be in the form of exchange of expertise/human resources, sharing of capital, resources. Likewise, the disadvantaged groups may be encouraged and supported/assisted to form cooperatives among themselves or join existing cooperatives.

Qatar. Particularly those with special needs such as the disabled, elderly and abandoned children.

Romania. Support for employment, provision of social services.

Russian Federation. Measures to provide material and moral support.

Saint Kitts and Nevis. Education and training provisions, easier access to credit.

Saint Lucia. These groups tend to be marginalized in society and so special efforts should be encouraged to give them more leverage in the market economy.

Senegal. These should include measures to combat social exclusion.

Slovakia. Support for cooperatives to enable them to work with the groups concerned, with the aim of enhancing their standard of living. Tax relief, state allowances for job creation, access to credit.

Spain. CCOO: Yes. In Spain, section 106 of Act No. 27/1999 covers cooperatives known as "social initiatives" and is intended to promote the integration into the workforce of individuals suffering from any form of social exclusion.

CIG: Yes, through local economic development programmes in cooperation with responsible public agencies.

Sri Lanka: Provide government assistance and guidance in the establishment and management of the organization.

Swaziland: To include promotion for all, including disadvantaged groups.

Switzerland: Cooperatives should benefit from all the administrative advantages available under the law, especially when they have educational and training goals.

UPS: See reply to Question 4.

Syrian Arab Republic: Facilitate membership, provide investment loans and guarantee credit in order to ensure productive job opportunities, exemption from taxes and levies.

Tajikistan: Provide preferential terms and financial support for cooperative enterprises in training and extending their activities.

United Republic of Tanzania: Know their needs/requirements, how to incorporate them into active employment, and how to deal with different types of disability.

TFTU: Yes, to design special programmes for specific disadvantaged groups in relation to their specific needs and priorities.

Thailand: Income-generating activity development; microfinance development.

Togo: Cooperative action should be concerned with the health of older members of society, without forgetting orphans.

Trinidad and Tobago: This must be done as a social responsibility and not have adverse effects on members' benefits. The measures should include: education and training; entrepreneurial development; skills development; counselling; personal development; grants (if affordable).

ICA: Where possible cooperatives should be encouraged to assist disadvantaged groups in taking initiatives to achieve greater levels of empowerment through the provision of training and technical assistance and assisting such groups to form or join cooperatives which may advance their growth and development.

CCUL: Assistance in self-development and income generation by encouraging cooperatives to play an integral role in either enrolling such groups into existing cooperatives, where such cooperatives can redress the disadvantage, or encouraging the formation of cooperatives by providing technical, managerial, financial and organizational assistance to these groups.

Tunisia: The instrument should provide that such measures shall be determined by national legislation.

Ukraine: Such measures should be encouraged by the State for all forms of enterprise.

ASMPEU: No.

TUWAIU: As far as their activities and financial situation allow.

United Arab Emirates: Based on the aim of improving the situation of society, cooperatives contribute to responding to the needs of disadvantaged groups, whether or not they are members of cooperatives.

United Kingdom: This should not be required — only suggested. The concept should be widely recognized and promoted as a means to help disadvantaged groups either through the role of the cooperatives (e.g. care of the elderly) or the stakeholders (e.g. disabled people running a cooperative business).

United States: Yes, if the question calls for encouraging measures that would facilitate the formation of cooperatives among or including persons belonging to disadvantaged groups. If it

calls for measures that would encourage cooperatives to adopt as an objective to respond to the needs of disadvantaged groups in society, it should be noted that a cooperative in this country is a business arrangement. If the membership wishes to integrate such an objective, it should be free to do so, provided that such objective is consistent with the general governing legal requirements. Any provision that is included in the Recommendation should make clear that such an objective should be integrated into cooperatives only if it is a result of the democratic decision-making of the cooperative.

The vast majority of replies were in favour of the instrument encouraging measures which would enable cooperatives to respond to the needs of disadvantaged groups in society. The measures proposed included tax exemption or relief, subsidies and other incentives and preferential treatment, as well as provisions promoting access to credit, education and training for disadvantaged groups. Comments pointed out, however, that the instrument could only suggest measures and not require them of cooperatives and that preferential treatment should be afforded disadvantaged groups whether they are organized in cooperatives or in any other form of enterprise or organization according to national practice.

The Office finds these comments appropriate and has drafted *Point 8* of the Proposed Conclusions accordingly.

IV. The role of governments, employers' and workers' organizations and cooperative organizations and their relationship

Should the instrument provide for the following role for governments in the promotion and regulation of cooperatives: **Qu. 9 (1)**

(a) establishment of a policy and legal framework?

(b) establishment of an institutional framework allowing for the registration of cooperatives in a rapid and simplified manner?

(c) establishment of a policy and legal framework for the promotion of a vertical cooperative structure (i.e. primary, secondary and apex bodies)?

(d) adoption of special measures for the oversight of cooperatives?

Total number of replies: 94.

Affirmative: Algeria ((a) and (b)), Argentina, Austria, Azerbaijan ((a) and (b)), Bahamas, Barbados, Belarus, Belgium, Benin ((a) to (c)), Bolivia, Brazil ((a), (b) and (d)), Bulgaria, Burkina Faso ((a), (b) and (d)), Cambodia, Cameroon, Canada ((a) to (c)), Chad, Chile, China, Colombia ((b) to (d)), Costa Rica ((a), (b) and (d)), Croatia ((a)), Cyprus, Czech Republic, Ecuador, Egypt ((a) and (b)), El Salvador ((b) and (d)), Estonia, Ethiopia, Finland ((a) to (c)) , France, Gambia, Ghana, Guyana ((a) and (c)), Hungary ((a) and (c)), India ((a)), (b) and (d)), Indonesia, Iraq, Israel, Italy, Jamaica,

Japan ((a), (c) and (d)), Jordan, Kenya, Republic of Korea ((a) to (c)), Kuwait ((b) to (d)), Lebanon ((b) and (c)), Lithuania, Malaysia, Mali, Malta ((a) to (c)), Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway ((a) and (b)), Oman, Panama, Peru, Philippines ((a), (c) and (d)), Poland, Portugal, Qatar ((a), (b) and (d)), Romania ((a) and (b)), Russian Federation ((a) to (c)), Saint Kitts and Nevis, Saint Lucia ((a) to (c)), Slovakia, Slovenia, Spain ((a) to (c)), Sri Lanka, Swaziland, Switzerland ((a)), Syrian Arab Republic ((b) and (c)), Tajikistan ((a), (b) and (d)), United Republic of Tanzania ((a), (b) and (d)), Thailand, Togo, Trinidad and Tobago, Tunisia ((a) and (b)), Turkey, Ukraine ((a) to (c)), United Arab Emirates, United Kingdom, United States, Uruguay ((a), (b) and (d)), Venezuela ((b) to (d)), Zimbabwe ((a) to (c)).

Negative: Algeria ((c) and (d)), Azerbaijan ((c) and (d)), Brazil ((c)), Canada ((d)), Colombia ((a)), Costa Rica ((c)), Croatia ((b) to (d)), Cuba, Egypt ((c) and (d)), El Salvador ((a) and (c)), Germany ((a) and (d)), Guyana ((b) and (d)), Hungary ((d)), India ((c)), Japan ((b)), Republic of Korea ((d)), Kuwait ((a)), Philippines ((b)), Romania ((c) and (d)), Russian Federation ((d)), Saint Lucia ((d)), Senegal, Spain ((d)), Switzerland ((b) to (d)), Syrian Arab Republic ((a) and (d)), Tajikistan ((c)), United Republic of Tanzania ((c)), Tunisia ((c) and (d)), Ukraine ((d)), Uruguay ((c)), Venezuela ((a)), Zimbabwe ((d)).

Other: Benin ((d)), Finland ((d)), Hungary ((b)), Lebanon ((a) and (d)).

Argentina. (a) and (b) The instrument should recommend active policies to promote productive integration and viable cooperative projects. (c) Participation by the organizations must be encouraged, as well as measures to ensure the representativeness of their officials. (d) Oversight of such organizations is essential to ensure democratic participation.

Austria. BfT: (b) Yes.
LuFAS: (a) to (c) No. (d) Yes.
PKLK: (a), (b) and (c) Yes. (d) No.

Azerbaijan. (a) The framework should not restrict cooperatives' right to act autonomously but should, on the contrary, protect them from bureaucratic interference in their activities.
AEC: (c) Yes.

Barbados. (b) There should be a pre-registration procedure aimed at ensuring that the cooperative has a reasonable chance of success.
BWU: (b) Yes. One must remember however that some cooperatives fail, therefore although simplified registration is important, strict controls are much more important.

Belgium. (b) Authorized cooperatives in Belgium are registered. However, there should not be a specific regime for cooperatives (for fear of misapplication). There should be measures to gather statistics and legal safeguards to ensure the protection of third parties, who should not be harmed under the pretext of "simplification". (c) This should be limited to not legally proscribing this structure and respecting freedom of association. (d) Specific oversight measures would be particularly useful for newly set-up cooperatives (bankruptcy rates are high), but these should not prevent new initiatives. Bankruptcy rates in countries with a control system are very low. In any case, observance of cooperative principles should be verified. The social and economic conditions of each member State would justify the adoption of different measures.

Brazil. (a) It is fundamental to establish a legal framework which determines precisely the scope within which cooperatives may operate. (d) It is essential to adopt monitoring instruments so as to avoid any excesses or failings in the system.

CNC: (a) to (d). This matter must continue to be left to every member State's domestic legislation.

OCB: (b) In order to facilitate registration, legal firms, trade boards and others could include representatives of the cooperatives' highest bodies. (d) No.

Burkina Faso. (a) These are indispensable to provide official protection of the interests laid down in the instrument. They validate and ensure compliance with these provisions.

CNPB: (a) It is the government's task to establish a legal framework for the full development of cooperatives.

CNTB: (a) Like any other association, cooperatives need a regulatory framework. (d) To uphold the principle of independence and autonomy.

Canada. (a) Government should be encouraged to establish a policy on cooperatives in cooperation with the representatives of cooperatives. (b) This aspect is crucial for the successful development of cooperatives. Adequate training for front-line staff who administer government programmes in this area is essential. (c) Government should encourage the establishment of secondary cooperatives or apex bodies if there is some indication that it would benefit primary cooperatives, although it should depend mostly on the will of the primary cooperatives. (d) Measures should favour autonomy of cooperatives. Special provisions should be put in place for cooperatives which are in difficulty, but these provisions should respect cooperative autonomy.

Chile. (d) Only for certain types of cooperatives, particularly financial cooperatives.

CPC: (c) and (d) No.

Costa Rica. (a) It is of the utmost importance not to promote cooperatives for political reasons. (b) A well-designed and structured programme should be devised for following up recently registered cooperatives.

Croatia. SSSH: (a) to (d) Yes.

URSH: (a) and (b) Yes. (c) No, only exceptionally.

Czech Republic. (d) Yes, concerning the economic operation of cooperatives.

Workers' organizations: (d) Yes, only regarding credit cooperatives.

Denmark. FDC: Yes, in order to support cooperatives as self help organizations, not to control and dominate them.

Egypt. (a) In cooperation with employers' and workers' organizations. (c) No. Each member should establish the structure appropriate to national conditions in cooperation with employers' and workers' organizations. (d) No. Supervision should be by members only, there should not be any external oversight.

FEI: (a) Yes. Employers' and workers' organizations are a major partner of the government in playing this role. (c) No. It should be left to each member State to establish the appropriate structure. (d) Yes. The term "oversight" might be misunderstood; if it means legal supervision by members, this may be acceptable, but if it refers to external supervision, then it is contrary to 7(d) on autonomy.

ETUF: (d) Yes, particularly oversight of cooperatives' accounts, considering that they handle public funds.

El Salvador. (a) No, so as not to limit the impact and vision of the future of society. (d) Yes, as a guarantee to society for the goods and services that the cooperatives offer.

Ethiopia. (a) These are major factors in creating a conducive environment for the cooperative movement. (c) Due attention must be paid to the primary cooperatives' views as to whether or not they need secondary and apex bodies. (d) In the field of human resources development and capacity building, government takes responsibility.

Finland. (a) There should be a legal framework recognizing the special characteristics of cooperatives. (b) The registration of cooperatives should follow the same procedures as those applicable to other legal entities, taking account of the equal treatment principle mentioned in Question 13(2). (c) The political and legal environment should be open to all kinds of structures lawfully established by cooperatives. (d) The government should not have any special oversight mandate or responsibility relating to cooperatives. The equal treatment principle mentioned in Question 13 (2) should be followed.

France. CFDT: (d) No, no more than other forms of production within the overall framework of public assistance.

GNC: Governments should establish a policy of support to cooperatives that is intersectoral and interministerial, in order to ensure that positive initiatives aimed at one sector do not create significant difficulties for cooperatives in another. Anything relating to the organization or oversight of cooperation should be made a matter for the cooperatives themselves.

Germany. (a) No to a policy framework, yes to a legal framework.

BDA: (a) to (c) Yes.

Ghana. GEA: (a) No. State control will still be prevalent if this is the case. But general laws governing business organization should be made more favourable. (b) No. Cooperatives will be independent and autonomous in the absence of state control. (d) Yes. To prescribe transparency and accountability of managers towards members regarding services provided to them.

TUC: (a) Yes. Government at the local, regional, national and supranational levels should provide a legal framework that allows intervention in the affairs of cooperatives only to protect the interests of their members. (c) Yes. Ideally the law lays down the basic conditions required for the formation of secondary or tertiary cooperatives and leaves all other details to the by-laws of the new organizations. (d) No.

Guyana. (b) Simplified, not rapid. There should be a promotional period to ensure that prospective members understand what the society is all about.

India. (a) The policy of government should be to promote cooperatives as autonomous, democratically governed institutions. The legal framework should in no way encourage interference by the government, politicization and bureaucratization. The policy and legal framework should provide for equality with other types of organization. (c) The policy and legal framework should be such that the promotion of a cooperative structure conforming to specific sectoral and other needs may be ensured. Affiliation of cooperatives should be voluntary. (d) The law should clearly provide for accountability at all levels. If any cooperative fails to fulfil its obligation with respect to timely audit, election and conduct of general assembly meetings, then the appropriate authority may intervene to ensure democratic governance and accountability.

Indonesia. (a) The policy and legal framework should, on the one hand, reflect a commitment of government to promote cooperatives and, on the other hand, provide for the legal status and regulate the affairs of cooperatives. (d) There should be a sanction or penalty for cooperatives that violate cooperative principles and values.

Italy. (a) But account must be taken of the particular economic and social situation in each country, so that state intervention can be geared to local circumstances. (b) It is to be expected that laying down standards would make it easier and faster to complete the necessary formali-

ties. (d) Undoubtedly these seem necessary as part of the framework of legislative provisions established in each country and in the light of particular local situations and the intervention programmes drawn up and implemented.

Confcooperative: (d) Yes, provided that they are related to simplified procedures based on honouring the principle of subsidiarity and strengthening the role of cooperative associations.

Legacoop: The instrument should provide governments with a political and legislative framework for the establishment of cooperative enterprises by pursuing the objectives mentioned in (a), (b), (c) and (d), while paying particular regard to standards which simplify the process and cut costs.

Japan. (b) Although an institutional framework is necessary, the detailed process of registration should be determined by each government, taking other factors into consideration, including an assessment of the appropriateness of each cooperative, the extent of preferential treatment of the cooperative and the required method of management in relation to such treatment. In this respect, the phrase "in a rapid and simplified manner" should be replaced by "in an appropriate manner".

NIKKEIREN: Cooperatives should be operated voluntarily and autonomously, and national and local governments should refrain from interfering in their operations and encroaching on their independence.

JTUC-RENGO: (a) to (d) Yes.

Jordan. ACI: (a) Yes. The government should promote the establishment of cooperative societies at the community level in order to solve the economic, social, cultural and health problems of their members. (c) Yes. Self-reliance should be promoted among cooperatives, including with regard to their organizational structure.

Kenya. (d) To ensure that cooperative officials are responsible in the management of the organization.

Kuwait. (a) The role of government should be left to national legislation and conditions in each member State, according to the level of development, and the extent of cooperative awareness.

Lebanon. (a) The State is the body responsible for the establishment of a policy and legal framework. (d) Oversight of cooperatives should be through national law on cooperatives. As for special measures, they should be left to the discretion of each Member, in the light of the real situation of cooperatives.

MHC: (b) Rapid registration might encourage the establishment of poorly planned cooperatives and could lead to problems in the future.

NFC: (a) Yes. The State is responsible for organizing institutions and protecting individuals. Therefore it should establish the necessary legal framework. (d) No. The measures to be taken should be in the form of comprehensive and clear laws and regulations.

Malaysia. (a) Regulations which determine the conditions under which government assistance is granted to cooperatives, as well as the kind and scope of measures which can streamline cooperative practices.

Mexico. (a) and (b) Each country should do this in the light of its own characteristics and needs. (c) To strengthen and develop cooperatives, encouragement must be given to vertical cooperative structures such as federations and confederations, up to a single higher-level body at national level, but without interfering with their activities. (d) Oversight should be part of the general strategy of oversight by the authorities.

Morocco. ODC: (a) Yes, in order to implement a clear and precise strategy with regard to the role and contribution of cooperatives in the economic and social sphere. (c) Yes, with a view to concerting efforts to create a cooperative movement that is strong, homogeneous and

comprehensive. (d) Yes. These measures should include internal audits and reports on cooperative accounts.

Namibia. (c) Allowing but not forcing a vertical structure. (d) Yes, but limited to the administration of the Cooperatives Act, e.g. submission of annual returns.

Nepal. (d) Monitoring and supervision activities are needed, but such activities should not encroach on the autonomy of cooperatives.

Oman. (a) To determine the general framework for establishing cooperatives and ensure that they achieve their objectives in serving society. (d) Yes, without preventing the development of cooperatives.

Panama. (a) Maintain and develop constitutional provisions; adopt laws and regulations; include cooperatives in national development plans and policies. (d) Oversight should be given special attention in organizing of the functions of public cooperative institutions in order to safeguard members' interests and public confidence in cooperatives.

Philippines. ILS: (a) The development of a policy and legal framework should come from the government. However, excessive government control and intervention would defeat the purpose of the principle of "self-help". Thus, it is important that cooperatives be given leeway in formulating internal policies that are not contrary to government policies. (c) A vertical cooperative structure has the following advantages: it ensures economies of scale; it eliminates non-essential middlemen, which results ultimately in reduced prices and greater savings for consumers; it ensures coordination between different producing and consumer cooperatives. (d) A committee in the institution that regulates cooperatives could be asked to monitor developments and to formulate policies that correct flaws in cooperative practice.

Qatar. (a) The State should establish appropriate legislation and intervene when necessary in the formulation of the general policy for cooperatives. (d) Strict control at the early stages until a vertical cooperative structure capable of supervising tasks is established.

Slovakia. (a) In the framework of the government programme. (b) As for other forms of enterprise.

Spain. (a) Yes, to support the independence and autonomy of cooperatives and access to open and competitive markets. (c) Yes, since such a vertical structure is required for supporting services and for the promotion of cooperative interests vis-à-vis governments and social partners. (d) Such oversight should be included in cooperative legislation and be based upon practice and consultation with the cooperative movement.

Sri Lanka. (b) Such registration and monitoring of activities are necessary to ensure cooperatives' legal status and proper management. (c) The establishment of a vertical cooperative structure would be desirable in that it would not only contribute to strengthening the organization adopting scientific managerial strategies, but would also mobilize the cooperative movement itself.

MCD: (b) No.

CCE: (b) But such a framework should not intervene in the cooperatives' aims and objectives.

Swaziland. (a) With the participation of the stakeholders.

Switzerland. (b) There is no need for special provisions for cooperatives. (c) There is no need for any reference to this in the instrument.

UPS: The role of governments should be limited to providing the right general conditions in which the different actors in the economy can organize in their own way (be it in a cooperative or some other legal form).

Syrian Arab Republic. (a) This should be left to administrative regulations, or should take the form of a ministerial order or instructions, which would ensure more flexibility than if it were established within a legal framework. (d) The existing supervisory mechanisms are sufficient, and therefore additional measures are not necessary.

Tajikistan. (b) Administrative procedures for starting and developing cooperative movements should be rational and based on transparent rules.

Thailand. (a) The government should promote and regulate a precise, continuous and feasible policy and legal framework, as well as encouraging employers' and workers' organizations and related bodies to participate in the establishment of such a framework. (c) In addition, such a framework should also include the promotion of horizontal integration. (d) Such special measures should be concerned with the level of development of each cooperative.

Togo. (a) In order to speed up the promotion and regulation of cooperatives.

Trinidad and Tobago. (a) and (c) To be done through consultation with all the social partners. (b) Such framework should have clearly defined guidelines and time frames for complying with requirements. (d) These measures should clearly define the role of government and apex and secondary bodies so that conflicts in supervision will not arise. There are characteristics which are unique to individual sectors, and they should be taken into consideration when developing these measures.

Tunisia. (c) and (d) Should be deleted in order to allow flexibility of the instrument with regard to the structure and oversight of cooperatives.

Ukraine. ASMPEU: (b) Unquestionably. Regulations should be concise and should not repeat everything already contained in the law. (c) No, on a voluntary basis only. (d) There is already more than enough, which tends to hinder activities.

TUWAIU: (c) This will make it possible to deal in broader and more specific terms with issues relating to the protection of the rights of primary cooperatives and their members.

United Arab Emirates. FCCI: (c) No.

United Kingdom. (b) Similar to registration of any private organization. (c) Suggestion only — not essential. (d) Yes, but this should be contained in normal private sector oversight.

United States. Yes, provided that cooperatives would not be subject to more onerous "registration" and "oversight" requirements than those to which similar non-cooperative businesses are subject, provided also that their autonomy is fully respected, and recognizing that such policies and laws may be implemented at various levels of government.

Zimbabwe. (b) Registration should be decentralized to the grass-roots level, where most beneficiaries are. (d) They should be treated in the same way as other forms of business.

Should the instrument provide for governments to have any other responsibilities with respect to the promotion and regulation of cooperatives? If so, please specify. **Qu. 9 (2)**

Total number of replies: 87.

Affirmative: Argentina, Barbados, Belarus, Belgium, Bolivia, Bulgaria, Burkina Faso, Cambodia, Canada, Chad, China, Colombia, Costa Rica, Cuba, Czech Republic, Ecuador, El Salvador, Gambia, Ghana, Hungary, India, Indonesia, Iraq, Israel, Italy,

Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Mali, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Oman, Panama, Philippines, Portugal, Qatar, Russian Federation, Slovakia, Slovenia, Spain, Swaziland, Syrian Arab Republic, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Turkey, Ukraine, United Arab Emirates, United Kingdom, Uruguay, Venezuela.

Negative: Algeria, Austria, Azerbaijan, Brazil, Cameroon, Chile, Croatia, Cyprus, Egypt, Estonia, Finland, Germany, Guyana, Japan, Lithuania, Peru, Poland, Saint Lucia, Senegal, Switzerland, Tajikistan, Zimbabwe.

Other: Bahamas, Benin, Ethiopia, Lebanon, Tunisia, United States.

Argentina. Disseminate cooperative education, promote cooperatives to restore places of employment that have closed down.

Bahamas. Perhaps a department or unit responsible for promoting cooperative development and advising and training officers.

Barbados. The government's responsibility should be confined to regulation because promotion has proven to be onerous and ineffective.

BWU: Yes, financial aid, education of the public, incentives such as no taxation, economic and cultural opportunities (integration of sectors, e.g. craft centres).

Belgium. Training for those who are called upon to work in, manage or create a cooperative; promotion of cooperatives and what they are about in government circles; inclusion of cooperatives in drafting legislation promoting economic and social development and investment.

Brazil. Aside from the monitoring instruments already mentioned, it is unnecessary to regulate this sector excessively.

CNC: This matter must continue to be left to each member State's domestic legislation.

OCB: No.

Bulgaria. Tax and customs concessions, legal privileges, government procurement orders and other concessions.

Burkina Faso. Given the particular nature of cooperatives, governments promote their development through regulations such as the investment code.

CNTB: No.

Canada. Cooperative development can be supported by governments developing partnerships with the cooperative sector to support the development of new cooperatives and by providing support and information to promote cooperative development but this must not extend to government control over cooperatives. Governments should also encourage school boards to implement curricula within the school system which explore the history of cooperative development and the valuable role cooperatives play in the economy of the country.

Chad. Responsibility for allowing genuine autonomy for cooperatives, providing financial assistance, if possible at affordable interest rates, simplifying guarantee procedures for cooperatives, and any responsibilities conducive to promoting cooperatives.

CNT: Yes, for example facilitating access to credit, tax privileges, measures making it easier to start up cooperatives.

Costa Rica. It is important for governments to support cooperatives by ensuring that there is a clear definition laid down by law of the funding that must be provided to the entire cooperative sector in order to generate development.

Croatia. URSH: Yes, in the field of banking and investment policy.

Czech Republic. Workers' organizations: No.

Egypt. FEI: Yes.
ETUF: Yes.

El Salvador. Guarantee agreements between cooperative entities of different countries.

Estonia. EAKL: Yes, information and consultation.

Ethiopia. The provision of technical, financial and institutional support as part of the promotion and regulation of cooperatives.

Greece. PASEGES: No. It is desirable that cooperatives operate freely without being subject to supervision by the State.

Guyana. The cooperative movement should be responsible for the other areas.

India. Governments should consider subsidized capital for cooperatives.

Indonesia. The right of governments to audit cooperatives.

Israel. Foster a positive environment for cooperatives: tax concessions.

Italy. Confcooperative: Draw up financial instruments for cooperatives.
Legacoop: The government's role must not consist of drawing up a framework of rules and standards to promote the establishment and development of cooperatives.

Japan. It is important that cooperatives maintain their autonomy and independence, and therefore it is inappropriate for the instrument to provide for government to bear too much responsibility with regard to cooperatives. If the instrument provides for the government to have more responsibilities, it is feared that the latter may be forced to become too involved in the affairs of cooperatives by the need for government supervision.
NIKKEIREN: Cooperatives should operate voluntarily and autonomously, and national and local governments should refrain from interfering in their operation.

Jordan. Provide facilities ensuring the establishment of cooperatives; support cooperatives in establishing contacts with the outside world.
ACI: Yes. Distribute state land to agricultural and housing cooperatives in order to provide housing for workers, employees, craft workers, and young people; utilize arable land to eradicate poverty and unemployment; increase domestic agricultural production.
FJCC: No.

Kenya. The government should be involved in the provision of training facilities for cooperative leadership, and also facilitate access to markets.

Kuwait. Disseminate the cooperative principles, organize training courses, symposia and conferences to promote cooperative action, promote the exchange of experience among cooperative federations in other countries.

Lebanon. Provide support services to cooperatives, where necessary grant loans at low interest rates, provide guidance and advice, train cooperative members, include the cooperative concept in curricula at different levels.
NFC: Yes. Provide necessary loans, subsidized and at low interest rates to help support productive and development projects of cooperatives, through cooperative societies established for this purpose.

Malaysia. MEF: No.
MTUC: Yes. Provide technical assistance, access to funds and government aid, teach cooperative education in school.
ANGKASA: No.

Mali. Legal status of apex structures.

Malta. MEA: No.
GWU: Yes. Provide assistance (financial and otherwise) at the initial stages.
AOC: Yes. The provision of financial aid for a limited period in cases of financial difficulties.

Mauritius. Training, education, auditing, incentives for development.
MLC: Regular training for persons involved; financial facilities; facilities for construction works.

Mongolia. CMTU: Establishment of a training and education structure.

Morocco. Governments should be also entrusted with other tasks such as establishing a cooperative framework, providing training for members and conducting studies on the development of working procedures, as well as cooperation between cooperatives with the aim of exchanging experience and contributing to the training of specialists in the area of cooperative action.

Namibia. Legislating for a cooperatives advisory board and a cooperative tribunal.

Panama. Governments should undertake to provide state media services for the promotion of enterprises and include these in the plans of ministries and institutions.

Philippines. Legal protection of cooperatives.
BLE: Granting of incentives to successful and outstanding cooperatives.

Poland. All-Poland Trade Union Alliance (OPZZ): Yes.

Qatar. The establishment stage requires strict convergence in areas of supervision, control, training and education.

Slovakia. Ensuring equal conditions for enterprises.

Spain. CCOO: Governments should promote collaboration or coordination between the cooperative movement and the state agencies responsible for such activities.
CIG: Guarantee the independence of cooperatives, promote economic restructuring and the elimination of commercial discrimination against cooperatives by other forms of enterprise in the private sector.

Sri Lanka. CCE: Promotion and regulation should not interfere with the autonomy of cooperatives.

Syrian Arab Republic. Simplification of procedures, provision of long-term investment loans at very low interest rates, equity in production taxes, supervision should be left to cooperative bodies.

Thailand. The government should also maintain a favourable environment and climate for a level playing field, for example by issuing an anti-trust law.

Trinidad and Tobago. The government should be responsible for the development of special types of cooperative for a fixed period after registration.

Tunisia. Invite governments to take any measures in general to promote cooperatives and create an enabling environment for their development.

Ukraine. ASMPEU: No measures prejudicial to contracts based on laws and regulations previously in force, no individual amendments to reporting and accounting systems.

United Arab Emirates. Material and moral support at the initial stage; contribute to raising awareness about cooperatives; introduce awareness-raising in curricula.

United Kingdom. Ensure that cooperatives are promoted as a legitimate form of business organization within local support networks.

The vast majority of replies confirmed that it is the proper role of government to establish a policy and legal framework within which cooperatives can function successfully. Likewise, almost all member States agreed that government must establish an institutional framework that provides for the registration of cooperatives in a more rapid and simplified manner than is the case today. A few replies suggested that thorough and professional registration was as important as speed, but the general consensus was that cumbersome bureaucratic procedures should be avoided. Regarding the establishment of a policy and legal framework for the promotion of a vertical cooperative structure, most replies stated that the government should play a role, since vertical structures involving primary, secondary and apex cooperatives could contribute to sustainability. Several replies thought that the preservation of freedom of association should be the guiding principle in the establishment of such structures and hence the role of government in this regard should be limited. While some three-quarters of the government replies confirmed that special measures should be adopted for the oversight of cooperatives in the interests of their efficient functioning and adherence to cooperative principles, a significant number of responses disagreed that such measures were necessary. Concern was expressed that special oversight might lead to interference in the operations of cooperative enterprises. Some comments indicated that cooperatives, as private business enterprises, should be subject to the same oversight measures as any other business.

Some 60 per cent of the government replies were in favour of government having additional responsibilities with respect to the promotion and regulation of cooperatives, for example through education and training, informational activities, provision of financial incentives, legal privileges and other concessions, etc. However, one-third of the government replies and a majority of the replies from employers' organizations were in the negative. A number of constituents expressed the fear that additional government responsibilities might encroach on cooperative autonomy. These points are reflected in *Point 9* of the Proposed Conclusions.

Should employers' organizations be encouraged to: Qu. 10

(a) make appropriate support services available to cooperatives?

(b) include cooperative organizations in their regional, national and local groups, especially where the latter deal with policies and programmes having an impact on cooperatives?

(c) participate in the exchange of experience and the establishment of commercial linkages between cooperatives and other forms of enterprises?

(d) participate in studies on social and labour market issues of interest to cooperatives?

(e) participate in programmes for cooperatives aimed at improving product and service quality and access to market opportunities?

(f) recommend that their members assist workers to establish consumer cooperatives, savings and credit cooperatives and housing cooperatives?

(g) carry out other activities? (Please specify.)

Total number of replies: 93.

Affirmative: Algeria (b), (e) and (f)), Argentina, Austria ((b), (c) and (e)), Azerbaijan, Bahamas, Barbados, Belarus, Belgium ((a) to (f)), Benin ((a) to (f)), Bolivia, Brazil ((d) and (e)), Bulgaria, Burkina Faso, Cambodia ((a) to (f)), Cameroon ((f)), (c) to (g)), Canada, Chad, Chile ((a) to (f)), China ((a) to (f)), Colombia, Costa Rica ((a) to (f)), Cuba ((a) to (f)), Cyprus, Czech Republic ((a) to (f)), Ecuador ((a), (c), (d) and (g)), Egypt ((a) to (c), (e) to (g)), El Salvador, Estonia ((a), (c) to (g)), Ethiopia ((a), (c) to (f)), France ((a) to (f)), Gambia, Germany ((f)), Ghana ((a) to (f)), Guyana, Hungary, India, Indonesia, Iraq ((a), (c) to (g)), Israel, Italy ((b) to (f)), Jamaica, Jordan, Kenya, Republic of Korea ((a) to (c), (e) and (f)), Kuwait ((a), (c) to (g)), Lebanon ((c) to (g)), Lithuania ((a) to (f)), Malaysia ((a) to (f)), Mali, Malta ((a), (c) to (f)), Mauritius, Mexico, Republic of Moldova, Morocco ((a) to (f)), Namibia ((b) to (f)), Nepal, Nicaragua, Norway ((a) to (f)), Oman ((a) to (f)), Panama, Peru ((a) to (f)), Philippines, Poland, Qatar ((a), (c) to (f)), Romania, Russian Federation ((a) to (f)), Saint Kitts and Nevis ((a), (d) and (f)), Saint Lucia ((a) to (f)), Senegal, Slovakia, Slovenia ((a) to (f)), Spain ((a) to (f)), Sri Lanka ((a) to (f)), Swaziland, Syrian Arab Republic ((e) to (g)), Tajikistan, United Republic of Tanzania, Thailand, Togo ((a) to (f)), Trinidad and Tobago, Tunisia ((a) to (f)), Turkey ((a) to (f)), Ukraine, United Arab Emirates, United Kingdom ((a), (d) to (g)), United States, Uruguay ((b) to (f)), Venezuela, Zimbabwe ((a) to (f)).

Negative: Algeria ((a) and (g)), Austria ((a), (d), (f) and (g)), Belgium ((g)), Benin ((g)), Brazil ((a) to (c), (f) and (g)), Cameroon ((b)), Cuba ((g)), Czech Republic ((g)), Ecuador ((b) and (f)), Estonia ((b)), Germany ((a) to (c), (g)), Iraq ((b)), Italy ((a) and (g)), Japan, Republic of Korea ((d) and (g)), Kuwait ((b)), Malta ((b) and (g)), Namibia ((a) and (g)), Peru ((g)), Spain ((g)), Turkey ((g)), United Kingdom ((b) and (c)), Uruguay ((a) and (g)).

Other: Costa Rica ((g)), Ecuador ((c)), Egypt ((d)), Finland, Kuwait ((g)), Lebanon ((a) and (b)), Oman ((g)), Portugal, Switzerland.

Argentina: (c) These activities and linkages should be encouraged in general, and should obviously include cooperatives. (g) Train workers and unemployed people in each sector to manage cooperative projects.

Austria: BIT: (c) and (e) Yes ((a), (b), (d), (f) and (g)) No.

Azerbaijan: (a) Information, consultations, organization of training and further training. (b) On a voluntary basis. (g) Provision of financial assistance in the form of loans or credit guarantees to cooperatives that are starting up.

Bahamas. (d) Indirectly, this issue will impact on economic well-being in a society. (f) Educational maturity will enable employers to do this without being threatened by strong, vibrant cooperatives. (g) If necessary their assistance can strengthen their interdependence.

Barbados. (g) Allow their staff leave with pay to attend cooperative training programmes.

BWU: (a) The resources of employers' organizations may be far greater than those of cooperatives. This assistance would enhance the operations of cooperatives, giving them a greater opportunity to succeed. (b) Only if the views of the employers' organization are those voted by a majority in the existing cooperatives. (c) This would be a new area for employers' organizations to contribute socially to a related cause in terms of economic distribution. (d) There cannot be enough agencies that deal with this issue. (e) This would be welcomed and can only benefit the population and the government, not only nationally but globally, especially in the light of trade liberalization.

Belgium. (a) Where appropriate. (b) What is the definition of "include"? As regards policies and programmes affecting cooperatives, cooperatives should have the right to decide. (c) Yes to an exchange of experience, but the establishment of commercial linkages between social cooperatives and commercial enterprises might give rise to tensions in the economic sector concerned.

Brazil. (a) and (b) The system is already sufficiently developed to guarantee the necessary autonomy in the face of employers' interests. (d) It is important for cooperatives to have access to surveys and studies that relate to their area of activity. (e) Access to such information would enhance quality and competitiveness. (f) Cooperatives must be formed at the initiative of the members.

CNC: (a) and (c) Yes, should the instrument adopted be a Recommendation. (b), (f) and (g) This matter must continue to be left to every member State's domestic legislation.

CNI: (a) to (e) Yes, as far as possible, subject to the replies given to Questions 1 and 2. (f) Yes, as far as possible, and without there being any compulsory requirement, and with account being taken of the replies given to Questions 1 and 2.

OCB: (a) Yes, provided that the principle of the autonomy and independence of cooperatives is always complied with. (b) to (e) Yes. (f) Provided that the principle of the autonomy and independence of cooperatives is always complied with.

Bulgaria. (c) This is a prerequisite for the normal functioning of cooperatives under market conditions. (e) Improving the quality of production enhances cooperatives' competitiveness. (f) Establishing new types of cooperatives enhances the social and economic strength of the cooperative system. (g) Services for farms, transport services, insurance, pensions.

Burkina Faso. (a) This would enable them to be dynamic and create additional jobs. (b) Cooperative organizations are the first partners of employers' organizations. To include them in their policies and programmes can only be conducive to synergy in development. (c) These can open up commercial opportunities for both parties and be enriching in terms of organization. (d) This is important in the sense that employers' organizations carry out activities that are essentially economic and social or labour-related. (e) In this way cooperatives could be competitive and open. But the problem of market opportunities remains. (f) This would help people meet their basic needs and prevent usury. (g) Protection of the environment, contribute to poverty alleviation.

CNPB: (a) They must act as a lever for the emergence of cooperatives whose survival is at risk. (g) Mutual societies to improve members' access to health care.

CNTB: (a) No. (b) In order to better attend to their interests. (c) This would enable them to share in the general dynamism of economic activity. (d) They should not be sidelined from issues concerning them. (g) Advocacy, management training and creation of specific services to members (for example, mutual health organizations, legal assistance, etc.).

Canada. (a) Yes, although cooperatives may be seen as competition to some businesses. (c) This can be done through mentoring programmes and the establishment of secondary co-operatives. (g) Cooperatives should be represented in business associations.

Chad. CST: (a) to (g) Employers' organizations should be encouraged to do all these things. Other activities are also possible — cooperatives of plumbers, welders, makers of trunks or cooking pots, communal granaries.

Chile. (f) Among other associative forms.
CPTC: (g) No.

Costa Rica. (a) to (g) Given the way economic conditions are shifting today and the effects of globalization, the various players should work together in order to take advantage of economies of scale.

Cyprus. (e) Specially designed seminars. (g) Agricultural product collection and marketing services (e.g. insurance).

Czech Republic. Workers' organizations. (f) No.

Denmark. HDC: (a) to (g) No.

Egypt. (b) Cooperative organizations should cooperate with regional groups. (d) The role of cooperatives is very important in development matters and in the increase of job opportunities.
FEI: (a) If they are members of employers' organizations. (b) Yes. See reply to Question 7(f). (d) Yes. Cooperative views in this regard are important if they have a developmental responsibility aiming at increasing employment opportunities. (e) If a common interest exists between employers' organizations and cooperatives. (f) Provided that the meaning of the term "assist" is defined: if it means providing an enabling environment, then it is acceptable. (g) No.
ETUF: (c) Yes, without affecting members' interests. (g) Transportation and telecommunications services; recreational services; organizing summer and winter holidays, in coordination with workers' and trade union organizations.

El Salvador. (a) Include cooperatives in incentives for production diversification and in this way strengthen employment and enhance skills. (b) Extend sources of employment. (c) Participate in establishing links between cooperatives and other types of enterprises with the aims of expanding the consumer market. (f) It would improve the community as there would be better prices and better opportunities for the purchase of goods and services.

France. CFDT: (a) to (f) If certain specific characteristics of cooperatives are recognized (the social economy in the broader sense), there are good reasons for encouraging employers in this sector to form associations in order to have an organized negotiating partner which can negotiate with the public authorities and conduct social dialogue. This would not rule out the possibility of these employers having links with those in the classical capitalist (commercial) sector. It may be necessary to encourage "autonomy" in the sector while promoting relations with other economic actors, public and private.
GNC: These organizations should be encouraged to promote the cooperative form of enterprise in the same way as other types of enterprise and to open up to representative cooperative organizations.

Germany. (a) Cooperatives are not a means of creating jobs. (b) On a voluntary basis. (c) Cooperatives should operate as autonomous enterprises. (f) Yes. Assistance towards self-help should be recommended.
BDA: (a) to (e) Yes. (f) and (g) No.

Ghana. (a) Cooperatives share common interests with employers in improving the quality of life of their employees and enhancing industrial relations and job satisfaction.

GEA: (a) By promoting business links between cooperatives and other forms of enterprise, employers' organizations can contribute to the development of the private sector. (b) Cooperatives are an integral part of the private sector and have to be accepted as members of the business community. (c) It would enable them to share experience, since cooperatives are able to successfully carry out certain economic operations that other types of enterprise might regard as unprofitable. (e) This would enable them to take advantage of economies of scale and enhance their purchasing power through bulk purchases if the formation of purchasing or shared services cooperatives is promoted. (f) Cooperatives not only improve the quality of life of their employees but can allow them to use their own resources, which are allocated for the provision of social services more efficiently and selectively, e.g. low-cost housing, consumer goods distribution, childcare, health insurance, etc.

TUC: (a) Yes. Credit and savings facilities. (b) By promoting business links so that they can contribute to the development of the private sector. (c) By helping workers to organize themselves to provide the services that they need. (d) To reduce industrial unrest. (f) They should encourage the formation of cooperatives at the workplace for specific purposes, such as savings and credit, low-cost housing, consumer goods distribution, childcare and health insurance. (g) By promoting areas of increasing job satisfaction.

Guyana. (a) Cooperatives can enhance business, hence support services by other business agencies can be mutually beneficial. (b) Cooperatives should have a say in policy-making processes. (c) Cooperatives cannot operate in isolation. Interaction with business and commerce is necessary. (e) Cooperatives must be competitive, hence the need for knowledge that can improve product and service quality. (g) Farming, manufacturing, exchanging information with regard to training and sponsoring programmes based on the economic benefits of cooperatives.

Indonesia. (b) Cooperatives should be involved in policy formulation, since it is in their interest. (c) The participatory role of employers' organizations is needed in order to enhance human resource development and business development. (f) Consumer cooperatives can provide for the primary needs of employees of cooperatives at fair prices.

Employers' organizations: (a) Establish cooperation between retailers and cooperatives in the hope that such cooperation could be developed and profitable. (g) Training, occupational safety and health, productivity, upgrading the environment.

Workers' organizations: (c) Facilitated by government. (f) Government should provide facilities. (g) Enhance workers' knowledge.

Israel. (f) As a way to help workers improve their economic conditions. (g) Education for members; open departments of cooperative studies at the university level.

Italy. (a) As things now stand, this does not seem feasible in the light of the special structure of cooperatives. (b) Bearing in mind a certain development trend, whereby cooperative enterprises are placed on the same footing as all the others, it is possible that a similar approach may be adopted in the future. (c) and (d) This would be highly appropriate. (e) As for (c), with a dynamic, global view of markets and free competition.

Confcooperative: (a) to (f) Yes.

Legacoop: Employers' organizations should not be encouraged to perform any typical duties in any top representative cooperative body. The unique characteristics and values of the cooperative movement — which the new instrument is to defend and promote — must be safeguarded. The various functions assigned to workers' or employers' organizations must be determined by the representative bodies of the cooperative movement, according to their purposes. As history has shown, this does not preclude useful collaboration with those organizations in order to identify opportunities for promoting and developing cooperatives in the various sectors. Sometimes cooperatives and ordinary enterprises can form partnerships for specific projects.

Japan. Although cooperatives are not-for-profit organizations, their activities sometimes overlap with those of profit-making enterprises. However, these items should be left to the free will of employers' organizations.

NIKKEIREN: In the light of the fact that the type and the role of cooperatives differ from country to country, the relationship between cooperatives and employers' organizations is not uniform, either. Therefore it is more appropriate to rephrase the question as follows: "employers' organizations should consider, where appropriate ..." instead of: "employers' organizations should be encouraged to ...".

Jordan. ACI: (a) Provide capital to develop cooperative action, achieve high returns beneficial to both parties. (g) Carry out cultural, educational, health and social activities.

GFJ: (g) Establish solidarity funds.

Kenya. (g) Incorporate cooperatives into employers' organizations' policy-making organs, encourage the setting up of cooperatives in the informal sector, and provide management consultancy, human resource development, external management and legal services. They should also be involved in health and transport sectors.

Kuwait. (b) This should be left to national policies and practices. (g) Promote the establishment of cooperatives at the workplace for specific purposes such as providing savings, credit and housing services at low cost, distribution of goods, childcare and health insurance.

Lebanon. (a) There are common interests between employers' organizations and cooperatives in many cases. Cooperation can take the form of marketing, advisory services and providing information on market needs. (b) There is no need to include this, but consultation and coordination among cooperatives are necessary where proposed policies and programmes affect them. (g) Involvement in symposia and bodies addressing issues related to cooperatives.

MHC: (a) Yes, creation of a cooperative economic model able to operate in the new economy.

NFC: (a) Yes, particularly in the areas of marketing, and providing information and statistics on potential goods to be produced. (c) Particularly the exchange of experience, improving performance and marketing of goods.

Malaysia. (a) Commitment, success and lifetime development can be continuously maintained if employers' organizations give support to cooperatives. (c) Commercial linkages will provide a rich diversity of business cultures as an added advantage to cooperatives. (d) There is a need to gain knowledge in order for cooperatives to succeed in the market environment. (e) This may provide cooperatives with the opportunity to access market opportunities due to changes in the global market environment. (f) Cooperatives are easy to form and they can play an important role in the fulfilment of the social economy needs of the members.

MEF: (g) No.

Malta. (d) In collaboration with research institutes and universities.

GWU: (a) Cooperatives are part of the private sector and their members are all self-employed. In many instances, cooperatives are themselves employers. (f) No. There will surely be conflict of interest.

AOC: (a) They should make available data to conduct research (marketing, surveys). (b) In this way employers can build stronger bonds and workers can increase their job satisfaction. (c) To promote this, cooperatives must cultivate business relationships with commercial interests — supermarkets, commercial banks, etc.

Mauritius. (c) and (e) For the mutual benefit of both types of organization. (d) So that they can support the employees grouped in cooperatives. (f) Since all contribute to the general well-being of the workers, and this, in the end, contributes to good work performance in the enterprise. (g) Employers should assist in forming cooperatives geared towards the welfare of employees.

Mexico. (a) Mainly by recognizing and respecting the scope of cooperatives. (b) Without diluting or weakening their basic principles. (c) This would be an ideal way of promoting development and job creation. (d) Especially in studies which consider in detail the diagnostic aspects of new labour market trends and propose alternative solutions to the problem of meeting social needs (alternative sources of employment and income creation). (g) Exchanges of information and experience.

Morocco. ODC: (a) Support services must be made available to cooperative managers in the areas of training, education and technical assistance. (b) In order to exchange information and views and to establish agreed common positions. (c) In order to overcome obstacles faced by cooperatives in their activities (supply, marketing/sales). (g) Yes, in the fields of recreation, health and tourism.

Panama. (a) Employers' organizations should promote and carry out cooperative education activities for workers and provide physical or logistical facilities for the running of cooperatives. (b) Employers' organizations should have liaison and cooperative information sections or units and establish permanent contacts with cooperatives at the national, regional and local levels. (c) Commercial links between cooperatives and other forms of enterprise should be extended, with account being taken of the rules of the free market which regulate national economies. (d) Employers' organizations should promote studies, forums, seminars and publications on matters relating to the social and labour environment of workers involved with cooperatives. (e) Such programmes should form part of the basic rules to be followed by employers' organizations. (f) This is a basic recommendation which should be made to employers' organizations, rather than limiting themselves to what is prescribed by collective agreements. (g) Sponsoring of scholarships and grants for cooperative studies, promoting competitions and publications, providing entrepreneurial assistance to cooperatives.

CACPYMER: (a) As an educational activity, employers should promote and support cooperative management among their employees. (c) There is a great deal of experience in America which should be studied through exchanges and commercial linkages. (f) This is the most feasible and rapid way of improving the basic basket of goods and obtaining low-cost housing. (g) Periodical meetings between employers and workers to study the progress made and expand future activities.

Philippines. BLE: (a) Especially in the case of industrial workers' cooperatives, support services are necessary during the formulation stage. (c) Sustainability of a cooperative does not depend only on its business relationship with other cooperatives but on that with other forms of enterprise. (g) Sponsor seminar/workshops and orientation on cooperatives.

ILS: (a) Employers' organizations could be encouraged to support cooperatives set up by their employees through the provision of space on company premises, such as a "Coop Office", by allowing the deduction of contributions from salaries, etc. The resulting goodwill would help maintain industrial peace. (b) Cooperative organizations need to be consulted on all matters affecting them. This is necessary in order to determine the impact of policies and programmes at different levels so as to ensure smooth implementation. (c) This could enhance the business acumen of the leaders/managers of cooperatives while at the same time promoting good business between cooperatives and the commercial enterprises. (d) Employers' organizations could also benefit from such studies, as the results of these studies could also be relevant to other forms of business enterprise. (e) The participation of employers' organizations in cooperative programmes would enhance the capability of cooperative members while at the same time building goodwill among employer groups and cooperative organizations. (f) Workers who are members of cooperatives would be better off economically and socially than those who are not. In effect, the cooperatives share the burden of management in providing for the welfare of their workers.

Qatar. (a) Cooperatives should depend on their resources and exchange support and services with other sectors. (c) Since cooperatives form an economic and social sector that maintains strong links with other strong enterprises. (d) The contribution of secondary cooperatives is necessary in these areas. (f) Workers are entitled to preserve their rights and defend their interests through the establishment of multipurpose cooperatives.

Spain. (a) to (f) Yes. If cooperatives are members of employers' organizations.

CCOO. (a) Cooperatives should be responsible for managing their own support services through their apex structures. (c) Yes, provided that the cooperative identity is maintained and the goal is the promotion of stable and decent work.

Sri Lanka. (a) Cooperatives function side by side with other establishments, hence employers' organizations should treat them and support them equally. (b) Cooperatives cannot function independently without interacting with other institutions in the socio-economic system. Hence, cooperative organizations should be included in regional, national and local groups. (c) Sharing of experience would be beneficial to both cooperatives and other forms of enterprise. (f) These are collective welfare measures that employers' organizations could provide to enhance the quality of life of workers.

Switzerland. Employers' and workers' organizations and cooperative organizations could be invited to offer their services in their respective areas of competence with a view to helping cooperatives to operate effectively. Such cooperation should not, however, be codified in the instrument.

UPS. See reply to Question 9 (1).

Syrian Arab Republic. (g) Advertising and information at the local and international levels.

Tajikistan. (d) Discussions on labour market issues should involve all parties, including cooperatives. (g) As available resources and workforce skills permit.

United Republic of Tanzania. (a) This helps increase membership. (b) A good area for the exchange of experience.

TFTU. (c) To enhance linkages. (f) This will help to improve the standard of living of members. It is for employers' and workers' organizations to organize in any way they deem appropriate and to choose their courses of action. The proposed instrument should not favour state intervention or encourage greater state regulation.

Togo. (a) Provided that this does not jeopardize the normal activities of their production units. (c) Provided that such commercial linkages do not constitute a form of unfair competition. (d) The participation of employers in such studies would be an expression of their desire to see the achievement of social well-being.

Trinidad and Tobago. (a) This could lead to a healthier work environment, which would benefit both employers and workers. (b) Cooperatives engage in economic activities and contribute to national development and should therefore be recognized for their contribution in these areas and included in programmes that have an impact on them. (c) Strategic alliances are necessary for success in the global and highly competitive business environment. Networking with other organizations could be beneficial to all parties. (d) Information on issues of interest to cooperatives could be helpful to employers, especially since cooperative members may be their customers, workers, suppliers, etc. (e) This could be beneficial to both organizations. (f) These efforts support workers' welfare and should be encouraged. (g) Employers' organizations should be encouraged to share their expertise, especially in the area of business management, with the cooperatives.

CCUL. (a) Particularly in circumstances where such cooperatives contribute to the stability of the morale and productivity of the workforce, management support and training should

be provided. (b) There is need for meaningful partnerships and dialogue in the formulation of such policies. (c) Cooperatives cannot exist in isolation from the major forms of production and enterprise. (d) There is a need to facilitate a deeper understanding of these issues. (e) This can only redound to the general advancement of the cooperative and society. (f) Particularly where it is expected that the workers would be better served and their self-development advanced.

Ukraine. (d) With the participation of the state employment services. (g) Activities aimed at creating jobs.

ASMPEU: (a) Provision of premises free of charge by the State (municipalities), right of representation without a vote on administrative bodies at various levels. (b) Without this, economic development will be difficult to achieve. (f) This is an important element in improving the social situation of workers.

TUWAIU: (f) This is necessary because many state bodies are badly informed about the preferred forms of cooperative management. (g) Any activities likely to enhance the efficient operation of cooperatives.

United Arab Emirates. (g) Any other activity that would help develop the community.

FCCI: (a) Provided that such services are voluntary and do not include financial assistance.

United Kingdom. (g) Provide initial financial support.

An overwhelming majority of replies, including those of employers' organizations, supported an active role for employers' organizations in the promotion of cooperatives. Employers' organizations are to be encouraged to make support services such as market information, advice, training and provision of business links available to cooperatives. Some replies considered that these support services would be conducive to improving labour relations and workers' welfare. There was also broad support for the idea that cooperative organizations should be included in regional, national and local groups of employers' organizations, particularly regarding matters affecting them. Several replies noted that these kinds of linkage could be mutually beneficial to all concerned; this was backed by agreement that employers' organizations should exchange experience and establish commercial linkages between cooperatives and other forms of enterprises. The promotion of business opportunities was regarded as essential for cooperative success by a number of constituents. This could also be achieved through employers' organizations participating in programmes for cooperatives aimed at improving product and service quality and access to market opportunities, as well as participating in relevant social and labour market studies. Almost all constituents also considered that workers' welfare could be enhanced by members of employers' organizations assisting workers to establish consumer cooperatives, savings and credit cooperatives and housing cooperatives. Some replies indicated that this kind of activity could contribute to the promotion of job satisfaction and industrial peace. Other services mentioned in the replies included financial assistance, insurance, pensions, mutual health schemes, childcare facilities, transport, legal assistance and encouragement to set up cooperatives in the informal sector. The Office recognizes the validity of all these proposals, and with regard to the informal sector has proposed an additional formulation which is incorporated as *Point 10(c)* of the Proposed Conclusions: "carry out other activities for the promotion of cooperatives, including in the informal sector".

Qu. 11 *Should workers' organizations be encouraged to:*

(a) advise their members to establish cooperatives with the special aim of facilitating access to basic consumer goods, loans, housing and social services?

(b) promote the establishment of cooperatives in the informal sector in order to improve the competitiveness of micro-enterprises and to organize social services?

(c) participate in committees and working groups at the national and local levels to consider economic and social issues having an impact on cooperatives?

(d) participate in the setting up of new cooperatives, such as workers' cooperatives converted from private and state enterprises?

(e) participate in programmes for cooperatives aimed at improving productivity and equality of opportunity?

(f) carry out other activities? (Please specify.)

Total number of replies: 90.

Affirmative: Argentina ((a) to (e)), Austria ((a) to (d)), Azerbaijan, Bahamas, Barbados, Belarus, Belgium ((b) to (e)), Benin ((a) to (e)), Bolivia, Brazil ((a) to (e)), Bulgaria, Burkina Faso ((a) to (e)), Cambodia ((a) to (e)), Cameroon ((a) to (e)), Canada, Chad, Chile ((a) to (c) and (e)), China ((a) to (e)), Colombia, Costa Rica, Cuba ((c) to (e)), Cyprus ((b) to (e)), Czech Republic ((a) to (e)), Ecuador ((b), (e) and (f)), Egypt ((a) to (e)), El Salvador, Estonia ((a) to (e)), Ethiopia ((a) to (e)), France, Gambia, Germany ((a) to (c)), Ghana ((a) to (e)), Guyana ((a) to (c) and (e)), Hungary, India, Indonesia, Iraq ((a) to (e)), Israel ((a), (c) to (f)), Italy ((a) to (e)), Jamaica, Jordan, Kenya, Republic of Korea ((a), (b) and (d)), Lebanon ((a) to (d)), Lithuania ((a) to (e)), Malaysia ((a) to (e)), Mali ((b) to (e)), Malta ((a) to (e)), Mauritius, Mexico, Republic of Moldova ((a) to (e)), Morocco ((a) and (e)), Namibia ((a) to (d) and (f)), Nepal, Nicaragua, Norway ((a) to (e)), Oman ((a) and (e)), Panama, Peru ((a) to (e)), Philippines, Poland, Romania, Russian Federation ((a) to (e)), Saint Lucia ((a) to (e)), Saint Kitts and Nevis ((a) to (e)), Senegal, Slovakia, Slovenia ((a) to (e)), Spain ((a) to (e)), Sri Lanka ((a) to (e)), Syrian Arab Republic ((a) to (c) and (e)), Swaziland ((a) to (e)), Tajikistan ((a) to (c) and (e)), United Republic of Tanzania ((b) to (f)), Thailand, Togo ((a) to (e)), Trinidad and Tobago, Tunisia ((a) to (e)), Turkey ((a) to (e)), Ukraine ((a) to (e)), United Arab Emirates ((a) to (e)), United Kingdom, United States ((a) to (e)), Uruguay ((a) to (e)), Venezuela, Zimbabwe ((a) to (e)).

Negative: Austria ((e) and (f)), Belgium ((f)), Benin ((f)), Brazil ((f)), Cameroon ((f)), Cuba ((a), (b) and (f)), Cyprus ((f)), Czech Republic ((f)), Ecuador ((a), (c) and (d)), Egypt ((f)), Estonia ((f)), Germany ((d) to (f)), Guyana ((d) and (f)), Israel ((b)), Italy ((f)), Republic of Korea ((c), (e) and (f)), Mali ((a)), Malta ((f)), Namibia ((e)), Oman ((b) and (d)), Peru ((f)), Spain ((f)), Syrian Arab Republic ((d) and (f)), Tajikistan ((d) and (f)), United Republic of Tanzania ((a)), Turkey ((f)), Ukraine ((f)), United States ((f)), Uruguay ((f)), Zimbabwe ((f)).

Other: Finland, Japan, Lebanon ((e) and (f)), Portugal, Swaziland ((f)), Switzerland.

Argentina. (d) Especially the establishment of workers' cooperatives by former employees of companies that have gone bankrupt.

Austria. BIT: (c) and (e) Yes.

Azerbaijan. (f) Popularize cooperatives, train managers and employees/trade union members.

Bahamas. (d) Increase the participatory base and support for the goods or services provided.

Barbados. (f) Assist with promotional activities and education and training programmes.

BWU: (a) Yes. Workers should be encouraged to unite and assist in their own development as far as this is possible. Workers' organizations should lobby government in order to ensure that advice and assistance is readily available to members desiring to go into such ventures. Workers' organizations can also provide information and training. (c) Yes. Only through social dialogue and active participation can workers hope to improve their social and economic condition and secure the future viability of organizations that have their interests at heart. (f) Lobby government and related agencies for support services, etc.

Brazil. (a) Workers' organizations can collaborate considerably with member workers in their institutions when it comes to setting up cooperatives.

CNC: (a), (c) to (e) Yes, should the instrument adopted be a Recommendation. (b) and (f) This must continue to be left to each member State's domestic legislation.

CNI: (a), (b), (d) and (e) Yes, with account being taken of the replies given to Questions 1 and 2. (c) No.

OCB: (b) Since it enables workers in the informal sector to receive social benefits and increases tax revenue (social development).

Bulgaria. (a) These are necessary activities for today's society and for information systems. (b) Widening the activities of cooperatives to increase the number of jobs and their social and economic functions. (d) Extending the cooperative sector is an important way of overcoming the failings of a market economy. (e) Cooperatives provide the necessary conditions for high productivity. (f) Active participation of cooperatives in fulfilling state orders: production of goods, construction, repairs and other activities.

Burkina Faso. CNPB: (a) With globalization, certain categories of workers and the rural populations risk being excluded from the benefits of economic progress in the absence of such measures. (b) Cooperatives appear to be the only form of organization able to meet the needs of vulnerable groups. (c) and (d) All too often trade union tensions arise from the fact that most of the population is sidelined from the life of the nation. The pressure can be relieved by involving the trade unions in the work of committees and working parties on cooperatives. (f) Hold discussions among members to establish a cooperative guarantee society to obtain access to bank loans.

CNTB: (a) In order to improve their living conditions and offset the negative impact of globalization. (b) So that the informal sector can be more structured and productive.

Canada. (a) Where viable and sufficient capacity, resources and need exist. (f) Involvement of labour organizations in cooperative development should be encouraged. Labour-sponsored investment funds should consider cooperatives as possible recipients of investment capital.

Chad. (f) Training, more staff training courses, easier access for women to means of transporting water, women's cooperatives specializing in commerce, weaving, traditional soap making, etc.

Chile. CPC. (f) No.

Croatia. URSH. (a) to (f) Yes, especially in the privatization process in countries in transition. (f) Organize education for unemployed persons willing to change their occupation.

Czech Republic. Workers' organizations. (a) and (d) No.

Egypt. FET. (b) This is considered a form of local community development. (c) On the one hand, this is a democratic right of workers' organizations, and on the other hand, it promotes the participation of the social partners.

El Salvador. (f) Social activities which contribute to increasing knowledge of the country's history and culture. Set up schools or centres for issues relating to cooperatives.

Estonia. EAKL. (c) In social and economic councils. (f) Advisory functions, information, public relations.

Finland. The support of activities referred to in (a) to (f) is important, but this is an internal issue of the labour market organizations. (e) This is important in order to improve women's status in general.

France. GNC. When they are independent of the State and free to organize themselves within an appropriate legislative framework, cooperatives provide a means of economic and social development and of training for employees, consumers and independent producers, which workers' organizations should encourage. (e) This is a fundamental trade union principle, regardless of the form of the enterprise.

Germany. (d) Adverse yes, participate no.

BDA. (b) to (e) Yes.

Ghana. GEA. (a) Good-quality products and low-cost housing directly benefit low-income families. Workers can save regularly to obtain loans at reasonable interest rates if cooperatives are promoted. (b) This would improve their working conditions and increase their income. (c) This would enable them to deal at both central and local levels with issues that have a direct impact on their very existence. (d) This would ensure job security in the face of redundancy, privatization, retrenchments, etc.

TUC. (a) They should establish joint business enterprises to provide common economic and social services such as the supply of consumer goods, savings and credit and marketing channels. (b) To help workers in the informal sector to establish and develop their own cooperatives, increase their income and improve working conditions. (c) This should be done in collaboration with employers' organizations and other interest groups at central and local level to deal with issues that have an impact on the cooperative sector. (d) In the area of worker buy-outs of failing state or private enterprises. (f) Develop joint strategies for raising income and ensuring job security and social protection of informal sector workers.

Greece. PASEGES. (a) to (e) Yes.

Guyana. (a) In most Third World countries, the average worker's wages do not permit him or her to have access to loans and services. (b) The informal sector is the area most in need of assistance to improve competitiveness. (d) The cooperative movement would be best served by avoiding such initiatives. (e) Training or programmes that promote the ability of cooperatives to improve production and productivity are necessary requirements.

India. (f) Promotion of cooperatives as a measure to generate self-employment.

Indonesia. (b) Their bargaining position will be stronger through cooperatives rather than dealing with businesses on an individual basis. (c) Participation of cooperatives in these areas is aimed at defending the interests of cooperatives and their members. (e) Improve productivity through the implementation of safety and health practices to prevent occupational accidents and diseases and loss of property.

Israel. (f) Workers' take-over of a workplace, if it is in liquidation.

Italy. (a) Among workers in dependent employment, it would be appropriate to establish those structures which best meet their requirements. (c) With a view to encouraging them to participate in the enterprise. (d) It would be profitable to reintegrate workers from sectors in crisis and thus obviate the need for more welfare measures. (f) No.

Legacoop. See reply to Question 10.

Japan. It should be left to the free will of workers' organizations. It is not necessary to promote them in the international instrument.

Jordan. (f) An investment cooperative can be established, consisting of workers of state-owned enterprises to be privatized who will own shares of the enterprise to be privatized.

Kenya. (b) Yes, but the employers feel that this should be the role of their organization, not that of the trade unions. (f) The training of workers through trade union education on the value of forming cooperatives, especially savings and credit societies.

Lebanon. (b) This is an important objective, primarily requiring a comprehensive study of the informal sector to identify needs and requirements. (c) This can be achieved through a number of councils (such as the Social and Economic Council). (d) Very useful in an era of economic restructuring and privatization. (f) Provision of advice, training and guidance, where possible, for workers wishing to establish cooperatives; participation in seminars and meetings addressing matters related to cooperatives.

MHC. (d) Yes, very appropriate in conditions of administrative reform leading to large-scale redundancies.

Malaysia. (a) This will help cooperative organizations to develop as an important sector in the economy. (b) Responding to these needs will further enhance the status of cooperatives in the business environment. (c) This provides opportunities to be involved and to learn through experience. (e) This will become a focus for collaboration in resolving the pressing problems of sustainable development.

MTUC. (f) Engage cooperatives in developing a partnership for economic policies in favour of the working class.

Mali. (a) No, in all the economic and industrial sectors of their choice. (c) Enterprises in the social economy (associations, cooperatives, mutual societies).

Malta. (a) Trade unions should see cooperatives as opportunities for job creation plus worker empowerment.

MEA. (d) No.

GWU. (b) In the future, cooperatives may be some of the few organizations to provide social commitment. (d) This is especially important since unions must ensure workers' rights, internal democracy and occupational safety and health issues.

AOC. (a) To improve the quality of life of workers, thus fostering good relations.

Mauritius. (a) Especially the credit union type of organization. (f) Employees' groups can participate in welfare programmes.

Mexico. (a) This is a way of improving social services which involves the workers (the beneficiaries) themselves. (e) Productivity programmes are intended for workers in general, whether or not they are members of cooperatives. (f) Promote associations of cooperatives.

Morocco: ODC: (a) and (d) Yes. (b) No, in order to prevent unfair competition. (d) Yes, in order to secure and safeguard jobs. (e) With a view to bringing about greater awareness and providing training and support to allow participation in economic and social development.

Nepal: (a) In addition, workers' organizations should be encouraged to set up industrial cooperatives. (e) They should assist in creating a market outlet mechanism for workers' cooperatives. (f) Workers' organizations should also be involved in providing basic vocational training and workers' education programmes.

Nicaragua: (a) For example, housing loans. (b) To eliminate the informal sector.

Oman: (d) No, this is not necessary at present.

Panama: (a) Workers' organizations, particularly trade unions, should advise and train workers in the organization of all kinds of cooperatives. (b) To promote the formalization of the informal sector through the establishment of cooperatives of micro-entrepreneurs and the organization of social services through cooperatives. (c) They should do so along with cooperative organizations in order to find alternative solutions to economic and social problems. (d) Workers' organizations should support cooperatives among out the of privatization or conversion of public or private enterprises. (e) Participate in total quality management programmes and certification systems (ISO 9000, ISO 14000). (f) National and international congresses on cooperative matters, forums, seminars and the publication of studies.

CACPYMER: (b) No. First there should be awareness-raising among the informal sector so that it will become part of the formal economy, then it should be involved in the establishment of cooperatives.

Philippines: BLE: (a) It is a common observation that members of workers' organizations are members of cooperatives. Under normal circumstances, there is no conflict of interest. (c) Workers' organizations' feedback is essential in assessing the extent of socio-economic impact on cooperatives. (e) Productivity programmes for cooperatives help maintain economic sustainability. (f) Participation in advocacy campaigns through documentation will encourage the replication of successful cooperatives.

ILS: (a) The cooperative is seen by the Government as one of the solutions to eliminate labour unrest in society. Providing workers with easy access to basic services will help them cope with economic difficulties. This could eventually soften their stand in pressing for economic issues during collective bargaining. (b) This is necessary as entrepreneurs in the informal sector do not have access to credit and other services unless they are organized. The cooperative is the ideal form of organization as it teaches them the value of cooperation as well as business principles necessary for the competitiveness of micro-enterprises. (d) It has been proven that one of the best ways to release workers from the bondage of misery is for them to establish their own cooperative/enterprise. They will develop faith and confidence in themselves, in their ability to run their own business. The principle of "self-help" is a confirmation of faith in the ability and initiative of the people to effect their own salvation.

Spain: (d) The instrument should stress the importance of the role of workers' organizations in the setting up of new cooperatives.

CCOO: (c) Yes, trade unions should represent the common interests of workers and those of cooperatives. (d) Yes. CCOO has played a vital role over the years in industrial restructuring in the country and many cooperative members today were formerly trade union members.

Sri Lanka: (d) In the current process of the privatization of state enterprises, setting up cooperatives would be another option of broad-basing ownership.

CCL: (d) No.

Syrian Arab Republic: (b) Since employees in the informal sector are not covered by the statutory protection provided for employees in the formal sector in terms of loans, licences and

export facilities, marketing of products and insurance, etc. (c) This would help achieve socio-economic development, in terms of increased productivity and equality of opportunities, which are the basis on which the ILO was established.

United Republic of Tanzania. (c) They can use their experience to impart knowledge of good practices to cooperative members.

Thailand. (f) Marketing the activity of cooperatives.

Trinidad and Tobago. (a) Promotion of the concepts of mutual and self-help will reduce the demands on workers' organizations by workers. (b) Workers' organizations may not have the expertise required. They should be encouraged to network with government, regional and apex bodies in undertaking this venture. (c) A large percentage of the membership of workers' organizations are also members of cooperatives. Participation at these levels will provide valuable insights on matters affecting workers. (d) This should be done in consultation with government and secondary/apex organizations. Such efforts will ensure continued employment of workers. (e) This would promote the welfare of workers and strengthen the role and relevance of workers' organizations in society.

CCUL. (c) It is expected that such participation would enrich the discussion and positively impact on cooperatives. (d) Wherever such cooperatives will be viable and enhance the economic status of the workers involved.

Ukraine. AAMPEU. (a) Not absolutely necessary. For this, workers' organizations need to be sufficiently strong and influential.

TUAMR. (d) A very important measure conducive to a better understanding of cooperatives and their advantages compared to the private and state sectors.

United Arab Emirates. FCCI. (b) The establishment and extension of the informal sector should not be encouraged.

United Kingdom. (f) Provide initial financial support.

United States. (b) Yes, but it is not clear why the role of promoting cooperatives in order to improve the competitiveness of micro-enterprises and to organize social services is limited here only to workers. Cooperatives which are "micro-enterprises" in the informal sector should still be understood as businesses which will succeed by virtue of the expertise and equity that they possess.

Replies indicated a wide consensus in support of workers' organizations advising their members to establish cooperatives to supply consumer goods, loans, housing and social services as a means of improving their living standards and quality of life. Some replies suggested that in addition, workers' organizations should advise their members with regard to job-creating cooperatives such as industrial workers' cooperatives. Most constituents expressed the view that workers' organizations could play an important role in promoting the establishment of cooperatives in the informal sector to create job opportunities, improve productivity, contribute to local development, extend social protection, etc. Workers' organizations were also expected to participate in national and local forums considering matters of interest to cooperatives. Regarding the role of workers' organizations in setting up workers' cooperatives converted from private and state enterprises, the vast majority of replies expressed the view that this was definitely one option that should be considered, and that could help reintegrate displaced workers. The Office has decided to slightly modify the provision contained in this subparagraph in order to emphasize the job creation and consolidation potential of workers'

cooperatives. Workers' organizations should also participate in programmes aimed at improving productivity and equality of opportunity. Other activities suggested included promotional and educational activities, lobbying government and other agencies on behalf of cooperatives, the establishment of labour-sponsored investment funds, etc. There were, however, a significant number of government replies which stated that no other activities in addition to those stipulated in subparagraphs (a) to (e) should be considered. The above comments are reflected in *Point 11* of the Proposed Conclusions.

Qu. 12 *Should cooperative organizations, and in particular their unions and federations, be invited to:*

(a) establish an active partnership with employers' and workers' organizations and development agencies for creating a favourable climate for the development of cooperatives?

(b) finance and manage their own technical support services, including management consultancy, human resource development and external audit?

(c) furnish commercial and financial services to affiliated cooperatives?

(d) represent the national cooperative movement at the international level?

(e) carry out other activities? (Please specify.)

Total number of replies: 92.

Affirmative: Argentina, Austria ((a) to (d)), Azerbaijan ((a) to (d)), Bahamas, Barbados, Belarus, Belgium ((b) to (e)), Benin ((a) to (d)), Bolivia, Brazil ((a) to (d)), Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China ((a) to (d)), Colombia, Costa Rica, Cuba ((a) to (d)), Cyprus, Czech Republic, Ecuador ((b) to (e)), Egypt ((a) to (d)), El Salvador, Estonia ((a) to (d)), Ethiopia ((a) to (d)), Finland ((a), (b), (d) and (e)), France, Gambia, Germany ((b) and (c)), Ghana, Guyana ((a) to (d)), Hungary ((a) to (d)), India, Indonesia, Iraq ((a) to (d)), Israel ((a) to (d)), Italy ((a) to (d)), Jamaica, Japan ((b) to (d)), Jordan, Kenya, Republic of Korea ((a) to (d)), Kuwait, Lithuania, Malaysia, Mali, Malta ((a), (c) and (d)), Mauritius ((a) to (c) and (e)), Mexico, Republic of Moldova ((a) to (d)), Morocco ((a) to (d)), Namibia ((a) to (d)), Nepal ((a) to (d)), Nicaragua, Norway ((a) to (d)), Oman ((a) to (d)), Panama, Peru ((a) to (d)), Philippines, Poland, Qatar ((e)), Romania, Russian Federation ((a) to (d)), Saint Kitts and Nevis ((a) to (d)), Saint Lucia ((a) to (d)), Senegal, Slovakia, Slovenia ((a) to (d)), Spain, Sri Lanka ((a) to (d)), Swaziland ((a) to (d)), Syrian Arab Republic ((a) to (d)), Tajikistan ((a) to (d)), United Republic of Tanzania, Thailand ((a) to (d)), Togo ((a) to (d)), Trinidad and Tobago, Tunisia ((a) to (d)), Turkey, Ukraine, United Arab Emirates ((a) to (d)), United Kingdom ((a), (d) and (e)), United States ((a) to (d)), Uruguay ((a) to (d)), Venezuela, Zimbabwe ((a) to (d)).

Negative: Austria ((e)), Azerbaijan ((e)), Brazil ((e)), Cuba ((e)), Ecuador ((a)), Egypt ((e)), Estonia ((e)), Germany ((d) and (e)), Italy ((e)), Japan ((a)), Republic of Korea ((e)), Malta ((e)), Mauritius ((d)), Peru ((e)), Syrian Arab Republic ((e)), United States ((e)), Uruguay ((e)), Zimbabwe ((e)).

Other: Belgium ((a)), China ((e)), Finland ((c)), Israel ((e)), Lebanon, Malta ((b)), Portugal, Swaziland ((e)), Switzerland, Tajikistan ((e)).

Argentina. (e) Promote and strengthen the business capacity of the organizations and establish commercial links.

Austria. BfT: (b) No.
LuFAS: (a) No.

Azerbaijan. Azerbaijan Trade Union Confederation (ATUC): (e) Monitor the activities of cooperatives that are affiliated to associations and federations.

Bahamas. (a) The stronger the support base, the greater the chances of successful ventures. (b) A direct way to further strengthen and empower the members. (c) Shared experience and expertise can only augur positively. (d) Essential for awareness of new trends. (e) As deemed necessary.

Barbados. (e) Establish ethical standards and devise acceptable performance criteria.
BWU: (a) Both should have cooperative development at heart. This would be beneficial to both groups in terms of additional finances. (b) In some instances, though, consideration needs to be given to the financial status of such organizations; it may be more economical to pool resources. (c) Insurance for loans and such activities can be encouraged.

Belgium. (a) Particularly the workers; less so for the employers. (e) Promotion of cooperatives.

Brazil. (a) The cooperative sector's success will depend on how close-knit it becomes. (b) The cooperative sector lacks the right advice in these areas. (c) It would give the system a better chance of success. (d) It is essential for the sector to have international representation through its national entities.
CNC: (a) and (d) Yes, should the instrument adopted be a Recommendation. (b), (c) and (e) This must continue to be left to every member State's domestic legislation.
CNI: (a) to (d) Yes, with account being taken of the replies given to Questions 1 and 2.
OCB: (a) Provided that the principle of the autonomy and independence of cooperatives is always complied with. (e) Yes.

Bulgaria. (a) Cooperatives operate by means of their production and economic links with other enterprises and institutions. (b) In view of the need to respond promptly to the specific requirements of cooperatives. (c) These are essential means of developing cooperatives. (d) International experience of cooperatives needs to be studied and applied. (e) Training, scientific and technical services.

Burkina Faso. (a) Being at a higher level of organization, unions and federations are important channels for speeding up the process of exchange. (b) Account should be taken of conditions in each country, since some cooperatives will always need support. (c) These are mutually beneficial development activities. (d) They — and especially the federations — are the legitimate representatives of other cooperatives and hence well placed to defend the interests of each member.

CNPB: (a) Employers' and workers' organizations can contribute their experience and support to cooperative organizations, furthering the harmonious development of cooperatives. (b) No. Cooperative organizations must organize themselves progressively rather than rushing to establish large numbers of structures, otherwise they may not be able to gain full control of their operations. (c) But gradually, while consolidating their structure. (d) This should be done over time, once they have gained control of their operation. (e) Such activities should be compatible and consistent with their aims, to avoid dissipating their energy.

CNTR: (a) They cannot develop alone: it is essential to have partners. (b) Yes, these are conditions conducive to success. (c) This is why they should be affiliated. (d) If the structure is given the mandate. (e) Specific services for affiliates.

Canada: (b) Yes, on condition that the public sector contributes to the cooperative sector's access to resources. (c) Facilitate business linkages among their member cooperatives; business and cooperative partnerships; promote linkages among developed and developing country cooperatives; partner with government and other development agencies to ensure that the cooperative option is understood as an alternative for development; government relations; youth cooperative education and outreach; mobilization of cooperative members.

Chad: (e) Any other legal activity.

CST: They should be invited to undertake all such measures (a), (b), (c) and (d)); and to organize periodical training seminars and information seminars for cooperatives in the start-up phase.

Chile: (c) Building their capacity to attract subsidies and identify opportunities in the economic system.

CPC: (e) No.

China: (e) Carry out educational activities on cooperatives and spread the experience of cooperatives.

Costa Rica: (a) to (e) While it is important to decide on the activities cooperatives could engage in or the actions they could take with their unions or federations, this will none the less depend on the environment in which they are operating. (c) As a result of a very disagreeable experience in 1998 in Costa Rica, specifically in the savings and loan sector (FEDECREDITO R.L.), it has been concluded that what is important for unions or federations is to represent the sector as such.

Croatia: SSSH: (a) to (d) Yes.

URSH: (e) Take part in social dialogue with government, employers' organizations and trade unions.

Czech Republic: (e) Social development of members.

Egypt: (b) In order to develop this sector.

ETUF: (e) No.

El Salvador: (a) In order to create conditions conducive to understanding. (b) In order to create their own productive and human development identity. (c) In order to reduce the costs of the process in general. (d) Carry out policies consistent with their basic needs. (e) Carry out international exchanges of all kinds and make proposals to similar entities.

Estonia: EAKL: (e) Represent the movement at the local and national levels.

Ethiopia: (b) This is a gradual process and it should be planned to attain these objectives first by creating an enabling environment. (d) The cooperative movement is expected to be the spokesman of its members.

Finland. (a) Workers' organizations as well as farmers' unions have traditionally played an important role in promoting cooperatives and should continue to do so. (b) This is a main task of cooperative organizations both in developing countries, where primary cooperatives need support, and in industrialized countries, where the viability of cooperatives needs to be strengthened steadily. (c) This depends on the system, on how the cooperative movement has been organized structurally. With caution one can say yes, according to needs, but not in the sense of giving money. (e) Fighting against legislative hindrances both at the national and at the international level, lobbying for cooperatives and promoting their image.

France. CFDT. (a) Promotion of jobs, retraining for workers. (b) With state assistance, as with other enterprises. (c) With the help of cooperative banks.

GNC. (e) The importance of dialogue with the public authorities and parliaments should not be overlooked.

Germany. (b) Promotion of help for self-help. (d) The national cooperative movement should be able to represent itself.

BDA. (a) to (d) Yes.

Ghana. (a) In order to enhance active partnership and cooperation among the social partners. (b) In order to enhance the principles and values of cooperation. (c) In order to enhance the promotion and expansion of cooperative organization. (d) In order to enhance its international status and cooperation. (e) Provide supportive services: training, education and consultancy.

GEA. (a) This will enable cooperatives to deal with issues that have an impact on their movements to ensure job security, and as a means of improving their working conditions and increasing their income. (b) This would ensure that the financial base for their operations is adequate to sustain informal sector workers. Joint strategies could be drawn up to ensure effective operations and monitoring. Success depends on leadership quality. (c) This would offer financial support to salvage weak societies from total bankruptcy and to extend special services to them. (d) It would help to combine their strength as locally rooted organizations with the advantages of existing ones. (e) Agriculture.

TUC. (b) No. (e) Promote the cooperative concept in the informal sector.

Guyana. (a) Involvement of all stakeholders is in the interest of cooperatives. (b) This is necessary for proper accountability, but small and fledgling cooperatives will need external support. (c) Cooperatives are more likely to benefit from commercial and financial services available through affiliates than from regular commercial institutions. (d) On the international front the movement can really evaluate its performance and strengthen common bonds.

India. (a) It should depend on the decision of the cooperatives. (e) Based on the need felt by the members for the furtherance of the stated objectives of the union or federation concerned.

Indonesia. (a) Employers, workers' organizations and development agencies should have the same perception of the importance of cooperatives. Therefore, they have to support each other to sustain the existence of cooperatives. (b) Cooperatives have to develop their own capacity. (c) Cooperatives should be encouraged to invest in other cooperatives (affiliated cooperatives). (d) Not just represent but — more importantly — to transfer the ideas, knowledge, information and experience they obtain at international level to the grass roots in the country. (e) Establish strategic alliances among cooperatives and between cooperatives and other business entities. Business-to-business networking in the cooperative sector, and between cooperatives and other business players.

Workers' organizations. (a) Yes, it should be aimed at their mutual benefit.

Israel. (e) Education, information and training.

Italy. (a) In some form of comprehensive economic and social coordination. (b) In order to foster the constant growth of the cooperative movement and monitor the effectiveness of action taken. (c) Provided that the framework of domestic legislation that covers the particular sector is complied with. (d) Jointly with institutional representation.

Legacoop: Cooperatives must learn more and better skills so as to offer their members services in the various spheres in order to enable them to compete in an increasingly complex market. It would seem to be particularly profitable and worthwhile to inform members of cooperative values and characteristics, and to prepare up-to-date statistics concerning affiliated cooperatives so as to highlight and publicize the economic and social contribution of the cooperative movement to society.

Japan. (a) It is sufficient for cooperative organizations to judge their own relationship with employers' and workers' organizations and to consult with them as circumstances demand. Hence it is not necessary to include such provisions in the instrument.

NIKKEIREN: For the same reason given under Question 10, it is advisable to use the expression "cooperative organizations, ... should consider, where appropriate," instead of "should be invited to".

Jordan. (e) Any other activities aimed at serving members.

FJCC: (e) No.

GFJTU: (e) All the activities required by members.

Kenya. (e) Civic education of their members.

Kuwait. (e) Coordination of national and international technical cooperation programmes; provision of consultancy services; studies; research and international meetings.

Lebanon. (a), (c) and (d) This is possible, with due regard to the laws in force. (b) In such a manner that external audit of cooperative does not conflict with the laws in force. (e) Involvement in symposia and meetings examining cooperative matters.

NFC: (a) Cooperative federations are the apex bodies of the cooperative movement and their involvement is necessary in the search and creation of projects with developmental objectives. (b) Among the most important objectives of cooperatives are auditing, provision of administrative and organizational guidance, training and skills upgrading of responsible officials. (c) In many cases, small cooperatives do not have access to market services and the research necessary to carry out their work. (d) National federations represent the cooperative movement at the national level.

Malaysia. (a) Collaboration between different groups enables cooperatives to include new types of members and undertake joint-venture projects. (b) Cooperatives are autonomous self-help organizations controlled by their members. (c) Cooperation among cooperatives serves their members most effectively and strengthens the cooperative movement. (e) Promote social welfare activities, housing, health and recreational activities which involve the members.

MEF: (e) No. Cooperatives should remain focused on carrying out their objectives. Engaging in other unrelated activities may cause cooperatives to lose sight of their objectives.

Mali. (a) Respect for the country's economic and financial policy. (b) Carry out their own self-promotion; human resources development. (c) Inter-cooperative partnership. (e) Public relations.

Malta. MEA: (b) Yes.

GWU: (b) Yes.

UHM: (b) and (c) No.

AOC: (a) The cooperative movement, represented by its apex organization, should be considered a social partner alongside employers' and workers' organizations to speed up the process of cooperative development. (b) Yes.

Mauritius. (a) This will encourage integration, which is very important for the success of cooperatives. (b) This will contribute to the autonomy of the movement. This should not preclude provisions or assistance from private and public sectors but should not ultimately become a hindrance to their autonomy. (c) Provided that the cost of services is competitive. (d) Representation of the national movement at the international level should be restricted to the apex organization. (e) Provide training and education.

MLC: (d) Yes.

Mexico. (a) Relations with other workers' and employers' organizations could be very important in strengthening cooperatives and enabling them to attain their economic and social objectives. (b) This would promote long-term stability and sustainability. (c) They should help to promote small emerging cooperatives which lack adequate resources to take on skilled staff when they start up. (d) They have representative capacity, provided that they are registered as legal entities in their own right. (e) Promote awareness-raising in remote areas to support the integration and activities of cooperatives in rural areas.

Morocco. ODC: (a) and (e) No. (b) In order to safeguard the autonomy and self-reliance of cooperatives. (c) In order to reduce production costs. (d) In order to provide coordination between cooperative organizations and allow them to exchange experience.

Namibia. But in developing countries governments need to substantially contribute to the HRD of cooperatives, for example by providing funding for cooperative colleges.

Panama. (a) This should be established through the integration bodies and the educational institutions of cooperatives. (b) Cooperatives should strengthen their self-management by financing and managing their own technical support services, including training and external auditing. (c) The federation and integration organizations should be strengthened so that they can provide these services to their members. (d) Cooperative organizations should be represented at the national and international levels by their own integration bodies. (e) Congresses, forums, conventions, seminars, practice periods, teleconferences.

CACPYMER: (a) This would be key to the cooperative movement's success. (b) Under their statutes this is a contractual obligation of cooperatives. (c) According to their financial capacity and structural organization. (d) This is the only way to improve and modernize the movement, establishing international communication channels.

Philippines. (e) Formulate their own policies.

BLE: (b) No. There are employers' and workers' organizations willing to finance such services, especially during the formation and transition period. (c) Cooperatives grow through the assistance of cooperative organizations. (d) Yes, such representation should always be in coordination with the government agency concerned.

ILS: (a) Cooperatives operate on the principle of universal brotherhood, whereby everyone regards each other as an equal. Anybody or anything which could help create a favourable climate for cooperatives should be welcome. (b) Cooperative networking should be encouraged, as it makes business sense. (d) This is ideal. Workers' cooperatives should be heard in the international arena.

Poland. OPZZ: (e) In the field of social services.

Qatar. (e) Organization of joint social activities for cooperatives.

Romania. (c) On the basis of an agreement between them.

Russian Federation. (d) Within the framework of the United Nations, the Committee for the Promotion and Advancement of Cooperatives (COPAC), the ILO, the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the United Nations Centre for Human Settlements (HABITAT), the United Nations Conference on

Trade and Development (UNCTAD), the World Bank and the United Nations Industrial Development Organization (UNIDO) through the ICA.

Senegal. (b) This would be one aspect of their autonomy. (c) Any other activity which would help cooperatives to fulfil their purpose of promoting solidarity.

Slovakia. (a) The essential principle of the cooperative movement. (b) Increasing professionalism, independence and competitiveness of cooperatives. (c) and (d) Their essential task. (e) According to the Statute.

Spain. (e) The promotion of public awareness of cooperation and the promotion of new cooperative societies and activities.

CCOO: (a) Yes, the promotion of dialogue among the social partners is important.

Sri Lanka. MCD (c) Yes.

Swaziland. (e) Spokesman of all cooperatives.

Switzerland. See reply to Question 10.

Syrian Arab Republic. (a) This would contribute to and support the development of cooperatives. (b) This would result in achieving the financial and administrative independence of cooperatives and protect them from the supervisory bodies, by ensuring that they take their own decisions. (c) In cooperation with employers' and workers' organizations. (d) To make use of accumulated practical and theoretical knowledge available to the ICA.

Tajikistan. (b) Especially in the payment of supplementary allowances relating to working conditions (hazardous or arduous work, regional wage adjustments). (c) As resources permit.

United Republic of Tanzania. (a) They depend on each other. (b) This is necessary if they want to build their capacities. (d) It is one of their responsibilities. (e) Consultancy services, counseling and acting as agents.

TFTU: (a) to (e) Yes. (e) Consultancy, research and training.

Thailand. (b) But outside support is also necessary, particularly at the initial stage of operation. (c) As one of the cooperative's services to its members.

Togo. (a) This can only be developed and encouraged. (b) This will strengthen the autonomy and independence of cooperatives. (c) It cannot be otherwise. (d) So that the concerns of the national cooperative movement will be taken into account.

Trinidad and Tobago. (a) In a competitive global environment, strategic alliances, especially among the social partners, are critical for the success of cooperatives. (b) Such mechanisms should be put in place to ensure professionalism in developing these services. External audits should be carried out by independent parties. (c) This will help to integrate the cooperative sector. (e) Such activities should be limited to the promotion and development of cooperatives, and forming strategic alliances with other cooperatives and other sectors of the economy.

CCUL: (b) This supports the concept of economic independence and encourages higher levels of efficiency and productivity. (c) The cooperative sector should be fully self-sustaining. (e) Where such activities would support the development and promotion of cooperatives.

United Arab Emirates. FCCI: (b) Provided that these activities are restricted to cooperatives and that enterprises are not included.

United Kingdom. (e) Promote the cooperative ethos.

Ukraine. ASMPEU: (a) Joint efforts are needed to overcome barriers, "red tape" and the "race" for success. (b) Without this, success is impossible. Any auditing of a cooperative should, at the request of the cooperative concerned, be carried out with the participation of the

appropriate union or association. (c) This will enhance their role and influence in bringing about economic recovery. (d) What is really necessary is accessible information on the activities of national cooperatives, extensive collaboration and joint programmes. (e) Greater freedom in visiting other countries, exchanging experiences, etc.

Zimbabwe. (a) To establish common promotional strategies. (b) They should be autonomous. (c) It is their obligation.

Almost all replies to Questions 12(a) to (d) affirmed that cooperative organizations, and in particular their unions and federations, should establish active partnerships with employers' and workers' organizations and development agencies, finance and manage their own technical support services, furnish commercial and financial services to their affiliates and represent the cooperative movement at the international level. With regard to the financing and management of technical support services, such as management consultancy, human resource development and external audit, a number of replies indicated that this was a key factor in ensuring the viability and independence of cooperatives. However, some concern was also expressed, particularly by some low-income countries, that this might not be feasible, at least in the initial stages of cooperative development, necessitating support from public funds. The Office proposes, therefore, that the words "where feasible" be included in *Point 12(b)* of the Proposed Conclusions. A considerable number of useful suggestions for additional activities of cooperative organizations were mentioned, including promoting linkages between cooperatives in developing and developed countries, education and training, social services and others. There were also calls for cooperative organizations to be active in promoting the cooperative concept specifically in the informal sector. The Office proposes that *Point 12(e)* of the Proposed Conclusions be formulated as follows: "carry out other activities for the promotion of cooperatives, including in the informal sector".

V. Policy framework

Should the instrument recommend the promotion of voluntary and independent cooperatives as one of the objectives of national economic and social development? **Qu. 13 (1)**

Total number of replies: 93.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Poland, Portugal, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka,

Swaziland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, Uruguay, Venezuela, Zimbabwe.

Negative: El Salvador, Switzerland.

Other: Japan, Lebanon, Philippines, United States.

Barbados. BWU: This is vitally important if cooperatives are to achieve their aim of encouraging the participation of their members in a free democratic environment. True economic and social development, which benefits society at large, can only be achieved if members are free to choose the directors and have a say in the operations of the cooperative.

Brazil. These are important objectives which cooperatives must consider.
CNC: Should the instrument adopted be a Recommendation.
CNI: Yes, with account being taken of the replies given to Questions 1 and 2.

Bulgaria. Small and medium-sized producers play a crucial role in the social and economic development of every country. They can do this far better if they form cooperatives.

Burkina Faso. The organization of producers will contribute to better developing the agricultural and livestock breeding sectors by increasing production and improving marketing.
CNPB: Any cooperative organization that is not voluntary and independent is doomed to failure.
CNTB: This is consistent with the nature of cooperatives.

Canada. Autonomy of cooperatives is critical to their ultimate success. This does not preclude reasonable development support from government. Voluntary and independent membership are ideals that should continue to be promoted but there are practical limitations. Primary cooperatives may not have the resources necessary to be all that independent. The economy is such that action is only efficient through interdependence. Lenders, creditors and business alliance partners may shift the direction of the cooperative. Insistence on members' input in the direction of the cooperative and discussions of alternatives should be provided together with the promotion of independence.

Chad. Because there can be no political peace if all is not well in the social sphere.

Costa Rica. If the instrument is required to cover the promotion of voluntary, independent cooperatives. In Costa Rica most cooperatives are voluntary associations in practice because members see the cooperative model as a viable alternative for resolving their problems. This view is based on the positive experiences of other cooperative groups. This does not mean, however, that this is the most viable method for forming cooperatives; rather, the sectors or groups that are most viable for purposes of organizing cooperatives should be clearly defined and identified.

El Salvador. Because they would be neither regulated nor monitored.

Ethiopia. Cooperatives are successful only when they are formed voluntarily and remain independent.

Finland. Cooperatives are not an objective in themselves, but should rather be one of several options for the achievement of economic objectives. In this connection, one has to take into account the fact that so-called "normal" enterprises operate solely for economic profit, whereas cooperatives may have other objectives, including non-profit ones. This justifies their special treatment if necessary. Special activities could be considered, for instance in respect of social and employment policy cooperatives (e.g. those established by unemployed persons).

France. GNC: See reply to Question 14 (1).

Ghana. To enhance the values and principles and create a favourable environment for the growth and expansion of cooperatives.

GEA: To disengage the government from the internal affairs of the cooperative movement to enable them to establish an independent self-financed, member-controlled integrated system.

Guyana. Cooperatives have the capacity to make important contributions to national development and this concept must be promoted in the instrument.

Indonesia. Promotion of cooperatives is an integral part of national development, especially to improve the economic and social welfare of members.

Employers' organizations: In Indonesia the cornerstones of the economy are cooperatives, government and the private sector.

Italy. Along the lines of the principle of free enterprise and a free market.

Japan. Approves voluntary and independent cooperatives, since their voluntary nature and independence are the essential features of cooperatives.

Jordan. Cooperatives should have a fundamental role in socio-economic development.

ACI: Cooperatives should play a fundamental role in development plans.

Lebanon. The voluntary nature of cooperatives is essential in their establishment; the question is how to understand the concept of independence and its extent in such a manner that it does not conflict with the public interest, on one hand, and the support provided in certain cases by the State in different forms, on the other hand. Does independence mean administrative independence in the framework of the laws and regulations in force, or independence in establishing cooperatives vis-à-vis the State?

MHC: Yes.

Malaysia. This will ensure that cooperatives are a suitable and appropriate vehicle for development.

Mali. Taking responsibility for the social economy.

Mauritius. The promotion of voluntary and independent cooperatives may help the latter become a major partner in the overall socio-economic development of the country.

Mexico. By benefiting individual members, cooperatives would promote the welfare of the entire community.

Mongolia. CMTU: Yes.

Morocco. ODC: In order to reduce the burden on the State and to help cooperatives to rely on their own ability to achieve objectives and implement programmes.

Norway. Long-term ownership must be a central objective. There should be strict requirements as to the size of the majority needed for the governing body of a cooperative to be able to dissolve the cooperative.

Panama. It should recommend that States guarantee the voluntary character of cooperatives and eliminate any coercive provision.

Philippines. To give labour a human face.

BLE: In a democratic nation, voluntary and independent cooperatives are encouraged.

ILS: Cooperatives helped greatly in the economic and social growth of Germany and Israel. Other countries could also run the same track to development.

Syrian Arab Republic. See reply to Question 12(b).

Switzerland. No, in the case of the industrialized countries; yes, if required for the developing countries.

Thailand. Cooperatives should be developed as sustainable and self-reliant organizations.

Togo. The diversity of the social and economic needs to be satisfied by cooperatives justifies the promotion of voluntary and independent cooperatives.

Trinidad and Tobago. The instrument must serve as a guide to direct and influence government policy on cooperatives.
CCUL: This is critical in a globalized economy. Any other form is likely to fail.

Ukraine. ASMPEU: This is absolutely necessary. Without political will and support of the cooperative movement, there can be no progress in social and economic development.

Zimbabwe. They are by nature voluntary private organizations.

Qu. 13 (2) *Should such cooperatives and other enterprises or social organizations be treated on equal terms?*

Total number of replies: 93.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Barbados, Belarus, Belgium, Bolivia, Brazil, Cambodia, Canada, Chile, China, Colombia, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, Estonia, Ethiopia, Finland, Gambia, Germany, Ghana, Guyana, India, Indonesia, Iraq, Israel, Italy, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Norway, Oman, Panama, Peru, Philippines, Poland, Qatar, Romania, Russian Federation, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Togo, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Bahamas, Benin, Bulgaria, Burkina Faso, Cameroon, Chad, Costa Rica, Egypt, El Salvador, Hungary, Jamaica, Japan, Malaysia, Mali, Mauritius, Nicaragua, Thailand, Trinidad and Tobago.

Other: France, Lebanon, Malta, Portugal.

Argentina. Equal opportunities and state support for the weaker cooperatives.

Austria. BIT: Yes.
LuFAS: No.
PKLK: No.

Barbados. BWU: As long as the core objectives are the same — economic, social and cultural development — then they should be treated on equal terms.

Belgium. In the Belgian system, discrimination giving rise to competition bias would not be permitted.

Brazil. If there is to be discrimination, it must be positive.

CNC: This matter must continue to be left to every member State's domestic legislation.

CNI: No.

Bulgaria. Cooperatives should enjoy preferential treatment since they cover the less well-off social groups.

Burkina Faso. Account should be taken of the particular nature of the cooperative movement.

Canada. Cooperatives should be treated on equal terms with corporations. However, there may have to be special measures which will respond to the uniqueness of cooperatives. Some consideration should be given to certain characteristics of cooperatives, which would mean that cooperatives might not be subject to certain requirements and would have access to particular support to overcome some difficulties, such as financing, related to their nature (limited remuneration of capital, etc.).

Chad. Cooperatives must receive different treatment from other enterprises in accordance with their aims.

CST: Cooperatives, other social organizations and private enterprises should be treated on equal terms by the State.

Costa Rica. No. These organizations are quite different in nature and philosophy from other social organizations. This situation is relative and depends on the standpoint from which it is perceived. In Costa Rica, treatment must be different, without any question of contempt or disdain.

Egypt. In the case of affiliation to international organizations priority should be given to the most representative bodies; as to rights, they should be treated on equal terms.

FEI: In terms of rights, there should be equality, but as to international and local participation, priority should be given to the most representative groups and bodies, and the need to involve others through them.

El Salvador. As their principles are not the same.

Finland. The equal treatment principle should be followed. This is especially relevant in industrialized countries concerning competition law, at both the national and international levels.

Suomen Yrittäjät: Cooperative activities are useful and necessary even in an advanced market economy. Yet, in this case, the position of big and capital-intensive cooperatives in relation to limited companies and other forms of enterprise has to be organized explicitly and consistently. A cooperative that is more capital-intensive or has more extensive economic activities than other forms of enterprise cannot be considered to have any special social task or position that would justify supporting it, or placing it in a better position than other forms of enterprise. Financial and other support of cooperatives operating in the third sector must not place enterprises in the same branch in a lower competitive position. Nor must the support of cooperatives constitute an obstacle to the establishment of enterprises in the branch concerned or to the expansion of the activities of existing enterprises to the branch concerned.

TT and Palvelutyönantajat: From the standpoint of social regulation, a certain form of enterprise cannot be treated differently in relation to other forms of enterprise — regardless of whether the treatment is favourable or unfavourable. From the standpoint of enterprises, the government's attitude should be as neutral as possible and independent of the form of the enterprise.

France. GNC: If the term "social organizations" is understood to mean trade unions, the reply to Question 13 (2) needs to be clarified; cooperatives and other enterprises should be treated on equal terms, i.e. cooperatives should benefit from the same measures, if this is justified by their particular characteristics.

Germany. Equal treatment based on branch/sector, not equal treatment based on the legal form of the enterprise.

Ghana. To promote equal opportunity and create a level playing field to enable cooperatives to compete fairly with other enterprises.

GEA: They should all be given the opportunity in the liberalized economy in competition with emerging commercial firms. Incentives offered to investor companies must also be extended to cooperatives.

Greece. PASEGES: No. Account should be taken of the fact that many cooperatives operate under difficult circumstances to assist social groups that are facing serious economic and social problems. In this case, special measures should be taken to support and strengthen cooperatives so that they are able to withstand competition in a free economy.

Guyana. Cooperatives must be able to compete with other organizations if the movement is to survive.

India. To provide equal opportunity.

Indonesia. There should not be any discrimination in treatment of cooperatives and other enterprises or social organizations as they aim to provide better services to the community.

Israel. But with some favouritism.

Italy. Legacoop: Cooperatives must be considered in the same light as other economic units, but governments can and must have specific promotional policies for cooperatives because of their social characteristics.

Japan. Cooperatives have specific objectives and characteristics different from other profit-making enterprises and non-profit social organizations, they are specially defined in society, as prescribed in the ILO Recommendation, and given both favourable and restricted treatment. Therefore they should be treated in accordance with their objectives and characteristics. In addition, less favourable treatment of cooperatives in competition with other enterprises should not be maintained as long as no rational reason exists in the light of the objectives and characteristics of cooperatives.

JTUC-RENGO: Yes.

Jordan. ACI: The cooperative sector should be granted more privileges in order to promote it, in particular in the area of taxation; it should be emphasized that cooperatives are an integral part of the state socio-economic sector capable of achieving the social equilibrium needed to promote social peace.

Lebanon. In general, there is no reason to grant a comparative advantage to cooperatives over other social organizations. On the other hand, cooperative action requires, in many instances, providing certain services to cooperatives to defend the interests of members and of those dealing with cooperatives.

MHC: Yes.

NFC: Since cooperatives have socio-economic objectives of rendering services to society, like any other institution.

Malaysia. MAPA: Yes.

MEF: No. Under certain policies, cooperatives may be excluded. More attention and aid should be given so that cooperatives can grow and prosper.

MTUC: Yes.

ANGKASA: Yes.

Mali. Enterprises of a particular type.

Malta. It depends on their nature and mission.
GWU: Unless they have a specific social commitment.
AOC: It depends on their nature and mission.

Mauritius. The specificity of cooperatives should be taken into consideration.
MLC: Yes.

Mexico. By virtue of their autonomy and freedom in terms of membership and activities, cooperatives could stand on an equal footing with other enterprises and public organizations.

Mongolia. CMTU: They should be given preference until they reach a certain level of development.

Morocco. ODC: No. It is important to distinguish between cooperatives operating according to the relevant international standards and other organizations, especially private sector, profit-oriented organizations.

Namibia. At least, but they should have tax benefits compared to profit-making enterprises (see also Question 12(b)).

Nicaragua. A cooperative is not the same as other enterprises of a predominantly commercial nature.

Panama. Treatment should be based on equality and social and entrepreneurial equity.
CACPYMER: No, because they are emerging grass-roots organizations and do not have the economic strength of a private enterprise, although they do enjoy popular support.

Philippines. When the cooperative is already strong enough to survive.
BLE: No, because cooperatives are not similarly situated in some respects such as access to financing and credit.
ILS: Yes. The principle of democratic control is "equality" applied to all.

Qatar. Since it is necessary to support production cooperatives, where the financial resources of their members often do not allow them to finance their projects.

Senegal. Equality is necessary with regard to general principles, although it is also important to take due account of the particular characteristics of each type of cooperative in the light of its particular mandate and objectives.

Spain. CCOO: No. They require different treatment depending upon their social purpose and activities.
CIG: Yes.

Sri Lanka. CCE: No.

Swaziland. But with a clear understanding that cooperatives deal with clients who have a business approach, hence the need for constant business guidance.

Switzerland. Company law does not go beyond legal mechanisms that meet specific needs. There is no "competition" between different legal forms of enterprise.
UPS: States should limit their role to safeguarding the basic conditions conducive to economic freedom. Cooperatives should be treated on the same basis as other enterprises. They should neither enjoy special privileges nor be placed at a disadvantage.

Syrian Arab Republic. Since the aim of the proposed instrument is to achieve social justice in accordance with the ILO objectives.

United Republic of Tanzania. TFTU: No. It will depend on the areas and interests.

Thailand. Equal treatment for developed cooperatives, not for newly established cooperatives. Initially, newly established cooperatives should be treated differently according to the weak and strong points of each cooperative.

Togo. Yes, since the beneficiaries are citizens.

Trinidad and Tobago. Cooperatives are business organizations and in liberalized economies they should be treated similarly to other business enterprises. This is an ideal situation, but some cooperatives experience special circumstances. The instrument should therefore be flexible enough to facilitate the growth and development of all cooperatives.

ECA: There is a need to support cooperatives in their early development stages. Others may possess special objectives and require special consideration.

CCUL: Terms should be equitable rather than equal, as the playing field is never truly level. Equal opportunity must precede equal treatment.

Tunisia. But the particular characteristics of cooperatives should be taken into account.

United Kingdom. But only if enterprises have a social goal as well as an economic one. Organizations that contribute to promoting "poverty eradication" should be treated more favourably.

The vast majority of replies indicated strong support for including a provision recommending the promotion of voluntary and independent cooperatives as one of the objectives of national economic and social development. Many replies emphasized the contribution that cooperatives are already making to further social and economic development in their respective countries, and a large number of replies stressed the need to preserve the voluntary and independent nature of cooperatives. The Office has therefore decided to add a reference to the universal cooperative principles (set forth in *Point 7*) to the provision contained in the question. Most replies were in favour of including in the instrument a provision recommending that cooperatives and other enterprises or social organizations be treated on equal terms. However, a significant minority of replies expressed a different view, arguing that the special nature of cooperatives justifies special treatment or positive discrimination. Many employers', workers' and other organizations shared this view. The Office has given further thought to this issue, and proposes a slightly revised text for consideration by the Conference, which has been included in *Point 13* of the Proposed Conclusions.

Qu. 14 (1) *Should member States' policies include, as recommended by current international standards, measures which:*

(a) create an appropriate legal and institutional framework for cooperatives?

(b) facilitate access to credit for cooperatives?

(c) promote education in the principles and practices of cooperative membership?

(d) develop the technical and managerial abilities of both members and managers?

(e) contribute to the spread of information on cooperatives?

(f) improve the level of productivity and quality of the goods and services produced by cooperatives?

(g) facilitate access of cooperatives to markets?

(h) improve national statistics on cooperatives with a view to the formulation and implementation of development policies?

Total number of replies: 94.

Affirmative: Algeria ((a) to (c), (e) and (h)), Argentina, Austria ((a) and (c) to (h)), Azerbaijan, Bahamas, Barbados, Belarus, Belgium ((a) to (e), (g) and (h)), Benin, Bolivia, Brazil ((a) and (b), (e) to (h)), Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia ((a) and (h)), Cuba, Cyprus, Czech Republic, Ecuador, Egypt ((b) to (h)), El Salvador, Estonia ((a), (c) to (h)), Ethiopia, Finland, France ((a) to (f) and (h)), Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel ((a) to (g)), Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, ((a) to (c) and (g)), Kuwait, Lebanon ((b), (e), (g) and (h)), Lithuania, Malaysia, Mali, Malta ((a), (c) to (f) and (h)), Mauritius, Mexico, Republic of Moldova, Morocco ((a) to (e), (g) and (h)), Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru ((a) to (e) and (g)), Philippines, Poland, Portugal, Qatar ((b) to (d), (f) to (h)), Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States ((a) to (e), (g) and (h)), Uruguay, Venezuela, Zimbabwe.

Negative: Algeria ((f) and (g)), Austria ((b)), Belgium ((f)), Brazil ((c) and (d)), Croatia ((b) to (g)), Estonia ((b)), France ((g)), Israel ((h)), Republic of Korea ((d) to (f) and (h)), Peru ((f) and (h)), United States ((f)).

Other: Algeria ((d)), Egypt ((a)), Lebanon ((a), (c), (d) and (f)), Malta ((b) and (g)).

Argentina. (a) Create the possibility for cooperatives and other associative enterprises to develop as alternatives to the concentration of economic power. (b) On condition that serious studies are conducted on the viability of projects. (h) It is also necessary to study the potential for cooperatives on a regional and sectoral basis.

Austria. LuFAS: (a) No.

Belgium. (a) Legal protection calls for this. (d) This allows for democratic management of cooperatives. However, the characteristics of a cooperative are more often than not based on setting up a structure rather than on the method of management; this does not mean that cooperatives should not have good managers as well. (e) Particularly through information on legal matters that is published and accessible to all. (f) This is not the responsibility of the authorities but rather of the cooperative sector and its representative bodies. (g) A distinction should be made between socially and economically oriented cooperatives.

Brazil. (b) It is essential to set up government mechanisms to provide access to credit for the cooperative sector. (c) and (d) This role must be played by the representative bodies of the cooperative movement. (e) This contribution should be supplementary, since basically the sector must be capable of self-promotion.

CNC: (a) to (g) Yes, should the instrument adopted be a Recommendation.

CNI: (a) to (h) Yes, with account being taken of the replies given to Questions 1 and 2.

OCB: (h) It is important for statistics to be internationally disseminated so that parameters can be established.

Bulgaria. (a) To ensure stable development of cooperatives. (b) Cooperatives, like small and medium-sized enterprises, can function effectively only if they have access to credit on preferential terms. (c) Members' familiarity with the cooperative principles is important for the democratic management of the cooperative. (e) Better information can improve productivity. (f) This is the main precondition for raising the economic efficiency of cooperatives. (h) Cooperatives are a very important part of the country's economy. It would be difficult to develop them without collecting and analysing the relevant statistics.

Burkina Faso. (e) The better informed they are, the more aware cooperatives will be of the role they play in the community.

CNPB: (a) Cooperatives have a specific legal form which should be taken into account by States. (b) By establishing cooperative guarantee societies.

Canada. (b) Yes, under financial services legislation, banking acts, etc. (e) Yes, through cooperative secretariats, etc. (f) Only if it can be done in a supportive rather than in a controlling way. As is the case for the private sector, the government sets standards where necessary.

Costa Rica. (b) Cooperatives have access to credit provided that they meet the requirements for entitlement. (e) There is a great deal of room for improvement with regard to the dissemination of information on cooperatives. Hence, what is called for is a movement-wide as well as a sectoral strategy, which needs to be promoted through the pooling of views and resources. (f) and (g) The level of productivity and quality of the goods and services produced by cooperatives also need improvement in order to facilitate access to markets. Here again, what is called for is a comprehensive strategy that would be coordinated by all the parties involved.

Croatia. SSSH: (a) to (h): Yes.

URSH: (a) to (h): Yes.

Egypt. FEI: (a) No. Each member should be free to create the legal and institutional framework that is appropriate to its own conditions and legislation.

El Salvador. (a) To establish legal uniformity. (c) To improve members' cooperative awareness through solidarity and mutual assistance.

Ethiopia. (b) Lack of access to credit is one of the major problems in cooperative development.

Finland. (a) See reply to Question 9 (1)(a). (c) There are obvious problems in the public education system with regard to disseminating knowledge of cooperative principles and practices. The need to promote the education of cooperatives should be emphasized. (d) Because of the special features of cooperatives as business enterprises, the basic knowledge given by the public education system is not enough. Special emphasis should be laid on cooperative training of management and representatives. The cooperatives themselves should be partly responsible for the training. (e) In this respect the circumstances are not satisfactory: information is not sufficient. (f) This task lies with the cooperatives themselves. The policy of the State should merely provide a conducive environment. (g) Yes, but only by removing discriminatory impediments.

SAK and STTK: (a) to (e) Yes, taking into account the equal treatment principle mentioned in Question 13 (2).

France. CFDT: (b) Yes. This is a matter of linkage and solidarity between the cooperative banks and the enterprises of the social economy. (e) Yes. Encouragement should be given to the development of these forms of production, for young people and for potential "entrepreneurs". (d), (f) to (h) Yes.

GNC: (c) and (d) The policies of member States would have to include a cooperative management training component; the Recommendation should encourage member States to promote training policies that include cooperative training (including knowledge of law and cooperative management in school programmes). The same concern should be reflected in (b): policies for encouraging the development of enterprise, including SMEs, should take the situation of cooperatives into account. (f) No. It is the promotion of cooperative associations that should lead to an improvement in products, goods and services (by bringing resources and competencies together) and to a democratic way of operating that is responsive to demand. (g) No. In industrialized countries it is not the right time to adopt measures aimed at facilitating access of cooperatives to markets. Such measures would be regarded as infringing the principle of free competition. It might, however, be possible to facilitate access to the relevant markets of cooperatives which respond to "the needs of disadvantaged groups in society" (Question 8) or to other priorities defined by member States.

Germany. (f) This is a matter for the cooperatives and their associations.

Ghana. (a) To create favourable conditions to stimulate the growth of cooperatives. (c) To create awareness and enhance knowledge of cooperatives. (d) To enhance technical and managerial abilities; mobilize active participation. (f) To enhance efficiency, competitiveness and economic viability; to contribute to economic and social development.

GEA: (a) Cooperatives must be associated with the formulation of policies and legislation that would affect their movements by giving them a voice in consultative bodies. (b) To establish a central cooperative fund to which every registered cooperative society has to contribute a certain percentage of its annual net surplus and use this central fund to finance their operation when in need of credit. (d) To offer them the chance to acquire the entrepreneurial and managerial skills that are needed to make cooperatives succeed in the new environment. (f) This would make the goods and services produced by cooperatives competitive on the open market.

Greece. PASEGES: (a) to (h) Yes.

Guyana. (c) This a basic requirement which is too often overlooked and can be seen as a key factor in promoting cooperatives. (d) The importance of good management is often lost or not seen as important by those who are elected to manage cooperatives; the managerial abilities of managers and members must be continuously enhanced through training. (e) Public relations programmes on the potential and success of cooperatives should be part of national policy.

India. (c) Yes, but only through the systems and methods developed by the cooperatives themselves. (f) Support should be provided only on the demand of cooperatives.

Indonesia. (b) Government assistance is needed, especially for providing start-up capital. (f) Cooperatives will not be competitive if they do not improve their productivity and quality of goods and services.

Employers' organizations: (f) Yes, this is very important.

Italy. (a) Yes, but without losing sight of the circumstances of each member country. (b) Yes, provided the necessary financial means can be found, as this is and has always been the weakest point of this particular sector. (e) Through appropriate means of recording and communication under the direct control of the institutions.

Jordan. (e) Ensuring that everyone can have access to such information, which will lead to the promotion of cooperatives.

Kuwait. (a) Taking into consideration conditions in each Member (extent of legislative advancement and cooperative awareness).

Lebanon. MHC: (a) to (h): Yes.

NFC: (a) Yes, for their sustainability and protection. (b) To support its economic initiatives. (c) Teaching the cooperative principles and practices in order to instil the cooperative spirit. (d) Since enhancing the competence of managers improves the quality of performance, ensuring success in meeting objectives. (g) Yes. The items under (b), (c) to (g) are essential to cooperative action, enabling them to act as effective institutions on both labour and commercial markets, and to play a role in developing socio-economic resources. (h) To highlight their activities and services.

Malta. (b) and (g) This does not necessarily imply positive discrimination. (c) Learning by doing or inductive learning is preferred. (d) Lifelong learning approach.

GWU: (b) Especially if they have a specific social commitment.

Mauritius. (b) Because cooperatives are groups of people who have limited capital. (c) To inculcate the spirit of cooperation and provide an avenue for sustainable development. (g) Because cooperative organizations have to be given a certain amount of protection.

Mexico. (a) to (c) In accordance with national law and practice. (d) Through conferences or assistance from bodies that do not have profit-based, political or religious aims, and whose social objectives and activities include technical assistance programmes, projects and activities intended to benefit cooperatives. (h) Statistics on cooperatives could be improved by cooperative bodies which might organize, collect and disseminate statistical data likely to promote economic and social development. There could also be a government body acting as a focal point for information.

Morocco. ODC: (a) Yes, measures which will help cooperatives to keep pace with economic developments and transformations in the world and promote the autonomy of the cooperative sector. (g) Yes, by setting up a computerized information system allowing access to all market data.

Panama. (a) Policies should include measures which contribute to the establishment of laws and institutions which support cooperatives. (b) Facilitate access, which is regulated and based on guarantees, to credit from state bodies. (c) Include and develop the teaching of cooperativism in the national educational systems, including universities, and the promotion of cooperation in all government educational programmes. (e) Through the official media (press, radio, television, Internet and others). (g) By providing information on markets, prices and products to cooperatives.

CACPYMER: (b) The conditions and requirements of the financial market should be provided for.

Philippines. BLE: (e) The government, through its appropriate agency, should spearhead an advocacy campaign on cooperatives. (f) Through proper training, education and research and development.

Qatar. (b) Particularly at the early stage of their operation.

Senegal. (b) It is nevertheless important to provide guarantees, as with any other borrower.

Slovakia. (a) Clear and precise legislation not only on the cooperative movement, but also on cooperatives. (b) Based on the principle of equality.

Spain. CCOO: (c) Yes, it would be useful through an international instrument to promote coordination between the public administration and cooperatives.

Syrian Arab Republic. (b) Since such statistics are important for the assessment of the work of existing or newly formed cooperatives with regard to community needs.

Switzerland. (b) to (h) Yes, where necessary, especially in developing countries.

Tajikistan. (c) A certain percentage of state funds should be allocated for training free of charge.

Togo. (b) Easy access to credit is an essential condition for the harmonious functioning of all types of cooperatives. (h) Bearing in mind the role that cooperatives are called upon to play in the economy of member States, such measures are likely to encourage the implementation of development policies.

Trinidad and Tobago. (a) Clearly defined guidelines based on past experience, current developments and future projections will serve to develop all cooperatives. (c) Many individual cooperatives do not have the capacity to develop and execute the education and training programmes they require. The policy should identify the party or parties that will be responsible for this activity and give some indication as to how the programmes will be executed.

ECA: (a) Such a framework can guide the rules and laws of the cooperative association, but there must be distinct laws to regulate the diverse trades of cooperatives.

CCUL: (a) Such legislation should be all-encompassing and cover guidelines for the sharing of power in cooperatives. In addition, there must be different laws to regulate the different trades cooperatives engage in.

United Kingdom. (b) and (g) On equal terms with all private sector organizations. (f) The social role should not be allowed to get in the way of efficiency and economic goals.

Should the instrument also recommend measures which: **Qu. 14 (2)**

(a) limit the role of the State with regard to cooperatives to regulatory functions, dissolution and the enforcement of cooperative legislation?

(b) decentralize as far as possible to the regional and local levels the formulation and implementation of policies and regulations regarding cooperatives?

(c) limit the legal obligations on cooperatives to registration, audits and the receipt of licences and establishment of business reports in the same manner as is required of any other form of business?

Total number of replies: 92.

Affirmative: Argentina ((b) and (c)), Austria ((a) and (c)), Azerbaijan ((a) and (c)), Bahamas, Barbados, Belarus, Belgium ((a) and (c)), Benin ((a) and (c)), Bolivia, Bulgaria ((a) and (c)), Burkina Faso, Cambodia, Cameroon ((a) and (c)), Canada ((c)), Chad, Chile ((b) and (c)), China ((a)), Colombia, Costa Rica ((a) and (c)), Croatia, Cyprus ((a) and (b)), Czech Republic, Ecuador ((b)), Egypt, Estonia, Ethiopia ((b) and (c)), Finland ((a)), France ((b)), Gambia, Germany, Ghana, Guyana, India ((b) and (c)),

Indonesia, Iraq, Italy, Jamaica, Jordan, Kenya, Republic of Korea ((b) and (c)), Kuwait, Lithuania ((c)), Malaysia ((c)), Mali, Mauritius ((a)), Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Oman ((a) and (b)), Panama ((b)), Peru ((a)), Philippines, Poland, Qatar ((a) and (c)), Romania ((b)), Russian Federation ((c)), Saint Kitts and Nevis ((b)), Saint Lucia ((a) and (c)), Senegal ((a) and (b)), Slovakia, Slovenia, Spain ((b) and (c)), Sri Lanka, Swaziland, Switzerland ((a) and (c)), Syrian Arab Republic ((a)), United Republic of Tanzania ((a) and (c)), Thailand, Togo, Trinidad and Tobago ((a)), Tunisia, Turkey, Ukraine ((a) and (c)), United Arab Emirates ((a) and (b)), United Kingdom, United States ((a) and (c)), Uruguay ((a) and (b)), Zimbabwe.

Negative: Algeria, Argentina ((a)), Austria ((b)), Azerbaijan ((b)), Belgium ((b)), Benin ((b)), Brazil, Bulgaria ((b)), Cameroon ((b)), Canada ((a) and (b)), China ((b) and (c)), Costa Rica ((b)), Cuba, Cyprus ((c)), Ecuador ((a) and (c)), El Salvador, Ethiopia ((a)), Finland ((c)), France ((c)), India ((a)), Israel ((a) and (c)), Japan, Republic of Korea ((a)), Lithuania ((a) and (b)), Malaysia ((a) and (b)), Malta, Mauritius ((b) and (c)), Panama ((a) and (c)), Peru ((b) and (c)), Romania ((a)), Russian Federation ((a) and (b)), Saint Kitts and Nevis ((a) and (c)), Saint Lucia ((b)), Senegal ((c)), Spain ((a)), Switzerland ((b)), Tajikistan, United Republic of Tanzania ((b)), Ukraine ((b)), United Arab Emirates ((c)), United States ((b)), Uruguay ((c)), Venezuela.

Other: Finland ((b)), Israel ((b)), Lebanon, Oman ((c)), Portugal, Trinidad and Tobago ((b) and (c)).

Argentina. Add (d): *safeguard the internal democracy of cooperatives and carry out inspections.*"

Austria. LuFAS: (a) and (b) No. (c) Yes.
PKLK: (a) to (c) Yes.

Bahamas. (a) The State should be the regulatory agent.

Barbados. BWU: (a) No. Although little regulation can be a catalyst for growth, experience shows that it can have disastrous effects when cooperative managers or directors make ad hoc decisions. (c) No.

Belgium. (c) If the cooperative is subject to satisfactory regulation.

Brazil. CNI: (a) Yes, with account being taken of the replies given to Questions 1 and 2. (c) No, legal obligations should be simplified.

Bulgaria. (a) The State should not remove the right of cooperative members to monitor cooperative legislation. (b) Centralization is necessary to prevent erroneous decisions at local level. This applies only to general cooperative issues; specific problems should be resolved at local level. (c) Cooperatives must be accountable in the same way as other enterprises.

Burkina Faso. (a) The State should play a primarily supervisory and regulatory role. (b) Decentralization allows bottom-up decision-making. (c) In order to have proper statistics on cooperatives they must at least be registered.
CNPB: (a) It should be limited to establishing a regulatory framework. (b) But decentralization should be progressive.
CNTB: (a) It should be limited to regulatory functions and the enforcement of cooperative legislation. (b) No.

Canada. (a) No. All cooperatives, no matter what their stage of development, still need governments to provide basic information and social services to their members. The State may partner with the cooperative sector in areas of common interest. The goal of any measure would be a flourishing autonomous cooperative sector. (b) No. Decentralization could lead to disparities between the regional and local levels. It is better to have national policies and regulations or, in federal states, at least provincial standards. Canada has been striving for more unified cooperative legislation for 30 years. (c) Yes, but the nature of audits and reports could be slightly different keeping in mind the uniqueness of the cooperative concept and principles.

Chad. (c) Cooperatives on the whole are fragile structures unable to bear the weight of the administrative apparatus.

CST: (a) to (c) Yes.

Chile. CPC: (a) Yes.

China. Macau: (b) No. Yes, as regards the formulation and implementation of policies regarding cooperatives, but their regulation should be uniform.

Costa Rica. (a) to (c) The State must not lose its regulatory functions or responsibility for the registration of cooperatives. What the instrument should recommend is easing the formalities governing cooperatives' operations, in order to speed up procedures.

Croatia. (a) But not in a such manner that they cannot strengthen primary cooperatives. (b) To stimulate the growth and expansion of cooperatives while respecting their integrity and right to self-determination.

URSH: (a) In order to leave as much scope as possible for self-government.

El Salvador. (a) This would put obstacles in the way of the advance of cooperatives.

Estonia. EAKL: (b) But decentralization cannot be the main aim, rather effectiveness of policies and regulations. (c) No. There must be some kind of legal obligation (with regard to registration, audit, etc.).

Finland. (a) The role of the State is to create an appropriate legal and institutional framework for cooperatives, but not to interfere with their business unless it is illegal. (b) The merits of decentralization depends on the constitutional system of the country. (c) It is national law, not an international instrument, that should regulate such detailed matters. In any case, the principle of a level playing field should apply.

SAK and STTK: (b) and (c) Yes and no, taking into account the equal treatment mentioned in Question 13 (2).

France. GNC: (c) No, in deference to the principle of equal treatment for all forms of private enterprise.

Germany. BDA: (a) to (c) Yes.

Ghana. (a) To enhance the autonomous status and principles of cooperatives. (b) To meet local needs. (c) To create a level playing field to enhance competition with private sector business.

GEA: (a) The nature of government responsibilities with regard to cooperatives and their right to autonomy and self-regulation must be laid down in the policy statement.

TUC: (a) No. By-laws of cooperatives should provide for such function. (c) Yes, to check abuses.

Greece. PASEGES: (a) to (c) Yes.

Guyana. (a) State regulation is necessary but state control is against the spirit of cooperatives. (b) It is at the regional and local level that cooperatives are greatly impacted upon.

(c) There is a need to avoid or limit bureaucratic interference in the business of cooperatives, but provisions must be enshrined in the instrument to ensure accountability.

India. (b) Once the policy and legal framework are decided, cooperatives should be free to set policies for their operations and functions.

Indonesia. (a) The State retains the right of dissolution of cooperatives only for serious violation of the law and exercises this right in accordance with procedures defined by law. (c) Since cooperatives are regarded as public economic organizations and treated like business firms, such obligations must apply.

Employers' organizations: (a) The democratic climate prevents government from interfering.

Workers' organizations: (a) The independence of cooperatives should be maintained. (b) In the framework of accelerating the formulation and implementation of policies and regulations regarding cooperatives.

Israel. (a) No, but cooperatives should be allowed the flexibility to create their own arrangements.

Italy. (a) The role of the State must be established in advance when laying down a legislative framework in the sector. (b) Yes, specifically with a view to ensuring that the framework regulations adopted by the State are better implemented .

Legacoop: (a) to (c) Yes, because in general the State must only have a regulatory role.

Japan. (a) to (c) All of these matters should be determined by each country, taking into consideration its stage of economic and social development and institutional framework. Although they may be recommended for the final stages of cooperative development, there is a possibility that they might hinder the promotion of cooperatives if they are implemented from the outset.

JTUC-RENGO: (a) to (c) Yes.

Jordan. (a) The State should play a supervisory role.

ACI: (a) No. There is a need, in addition, to have a state body to carry out financial and administrative supervision to ensure that procedures and decisions are properly implemented by cooperatives.

FICC: (a) and (b) No.

GFJTU: (a) and (c) No.

Kenya. (a) This would ensure that cooperatives do not encounter red tape in the achievement of their objectives.

Kuwait. (a) Taking into consideration the fact that the instrument should be limited to general policies, while details should be left to national practice.

Lebanon. (a) to (c) This should be left to national laws and regulations.

MHC: (a) and (b) Yes. (c) As long as this does not encourage abuses of the privileges enjoyed by cooperatives.

NFC: (a) Yes, in order to prevent bureaucracy from affecting cooperatives and their operation.

Malaysia. (a) No. State supervision provides advice and guidance to facilitate systematic cooperative development.

MEF: (a) No. The State's supervisory function is important to streamline the activities of cooperatives. (b) Yes, for more effective monitoring and supervision. (c) No. The legal obligation of cooperatives in respect of these matters should be maintained.

MTUC: (a) to (c) Yes.

ANGKASA: (a) to (c) Yes.

Mali. (a) Transfer certain services and functions to cooperatives and apex structures. (b) To facilitate access to public services.

Malta. (a) The State may need to promote and develop cooperatives, too. (c) This depends on the national and legal context.

Mauritius. (a) To prevent a political stranglehold on cooperatives. (b) In small island economies these functions should be centralized. (c) Because cooperatives cater for vulnerable groups, safeguards should be provided.

MLC: (a) to (c) Yes.

Namibia. But see also Question 12(b).

Nepal. (a) However, in case of developing countries, the State has to carry out sponsoring, facilitating and promotion activities.

Oman. (a) See reply to Question 9 (1). (c) This should depend on the conditions in each member State and each sector.

Panama. (a) The instrument should in no case recommend limitations; on the contrary, it should stimulate the promotion and support of cooperatives. (b) Stimulate the decentralization of technical support and logistic services. (c) The instrument should explicitly limit the functions of state bodies.

CACPYMER: (a) to (c) Yes.

Philippines. ILS: (b) Policies and regulations must be formulated at the national level, with full consultations of course, to be implemented by local government units.

Poland. OPZZ: (c) No.

Qatar. (a) The role of the State is still fundamental in guiding and monitoring cooperatives.

Senegal. (c) This would be best dealt with through national legislation and practice.

Slovakia. (a) While retaining the autonomy of cooperative ownership and the exact definition of relations between State and cooperatives. (b) From the standpoint of the definition of relations between State and cooperatives.

Spain. CCOO: (a) No, the State should be actively involved in the promotion and establishment of cooperatives. (b) Yes, in Spain regional governments have absolute responsibility in local legislative matters, especially in the application of national law, and it is within this framework that cooperatives must develop. (c) No. Their obligations should be determined by national law and practice.

CIG: (a) to (c) Yes.

Sri Lanka. (a) These conditions facilitate the promotion of voluntary and independent cooperatives. (c) Cooperatives should be treated as any other business.

CCE: (a) No.

Swaziland. (a) Depending on the situation in each country.

Switzerland. (a) Yes. See comments on Question 13 (2). (b) Decentralization depends very much on the political and legal structure of the State in question. (c) Yes, but with reservations regarding licences and business reports, which are not generally required.

Syrian Arab Republic. (a) In terms of ensuring independence for cooperatives.

United Republic of Tanzania. (a) There is no need for the State to interfere in the operation of cooperatives. (b) No. Activities could be decentralized, and district or regional cooperative

unions can have their own policies and regulations within the framework of national policies and regulations, but in terms of an apex body there is no need to decentralize.

TFTU: (a) and (b) Yes.

Thailand. (a) The role of the State should be limited to strengthening the independence and autonomy of cooperatives. (b) Decentralization should be carried out transparently.

Togo. (a) The State should confine itself to its role as regulator. (b) Decentralization is a prerequisite for participatory development at the regional and local levels. (c) The instrument should reflect the specific characteristics of cooperatives as compared with other enterprises.

Trinidad and Tobago. (a) This should be the ultimate goal of government. The reality of the situation is that cooperatives are at different stages of development. The State may therefore have to perform some of its current functions until the apex and secondary bodies can fully accept the new mandate. (b) Policy formulation should always be done through consultation with stakeholders. The implementation of the policy could however be decentralized to regional and local bodies. (c) Cooperatives are businesses and should not be exempted from the basic business requirements. On the contrary, there will be greater accountability to members if cooperatives adhere to these business practices.

ECA: (a) to (c) Yes. As far as possible cooperatives should be free to operate as other businesses, but their governance structure may require more attention.

CCUL: (a) There may be a conflict of interest if the State performs both a promotional and a regulatory function. (c) While this is desirable, credit unions may require other legal obligations to protect the general membership from possible abuse.

Ukraine. ASMPEU: (a) Yes. The role of the State is not to hinder.

United Arab Emirates. (c) Assets of cooperatives are composed of funds provided by members confident that a government body will supervise these cooperatives. Therefore the government should intervene more, in terms of supervision and control, than with other businesses, which are private to a certain extent or have a limited number of members.

FCCI: (a) No. The State should be given a larger role in the control and accountancy of cooperative activities to ensure that they are in harmony with general state policy. (b) Yes.

United Kingdom. (a) As cooperatives are just other types of enterprise, the State can also play a role in providing them with business advice, as for other organizations of a similar size.

United States. (b) While regional, state or local rules may be appropriate, the instrument should not imply that a single set of rules could not also be appropriate.

Nearly all governments supported the provision envisaged in Question 14 (1), including all subparagraphs (a) to (h). This high degree of consensus amongst governments was reinforced by an equally high level of agreement in support of the provision by workers' and employers' organizations. Although a majority of governments expressed support for Question 14 (2) as well, this provision caused more controversy. A significant number of governments expressed the view that government should have supervisory powers over cooperatives, in addition to the functions listed in subparagraph 14(2)(a). This opinion was shared by a few workers' and employers' organizations. The Office is of the view that the application of cooperative legislation includes supervisory powers in countries where the relevant legislation grants the State such powers. Since this subject is already adequately covered in *Point 9*, it was decided to amend *Point 14* accordingly to avoid repetition. A significant number of governments, as well as some workers' and employers' organizations, did not agree with the provi-

sion in subparagraph 14(2)(b) because the size, administrative structure or decision-making procedures in their countries were not compatible with decentralization of the formulation of policies and regulations regarding cooperatives. However, since most governments supported the provision, and the Proposed Conclusions recommend such decentralization only "where possible", the Office has decided to include a reference to decentralization in the Proposed Conclusions. The majority of governments supported the provision in subparagraph 14(2)(c), but a significant minority of them disagreed for a variety of reasons. Some governments were of the view that the legal obligations of cooperatives should be left solely to national laws; others said that cooperatives should be subject to specific legal obligations because of their special nature; and a third group was of the view that cooperatives should be subject to simplified legal provisions. The Office has therefore decided to amend paragraph 14(2) in the Proposed Conclusions by adding the words "to the same extent as is required by national law of any other form of business". The provisions contained under Question 14, as amended, now stand as *Point 14* of the Proposed Conclusions.

VI. Measures for implementing policies for the promotion of cooperatives

A. Legislation

Qu. 15

Is it desirable that member States adopt specific legislation on cooperatives and periodically revise such legislation? If so, is it desirable that such legislation recognize explicitly the cooperative characteristics listed in Question 7 above?

Total number of replies: 92.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Lebanon, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Oman, Panama, Peru, Philippines, Poland, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, Uruguay, Venezuela, Zimbabwe.

Negative: Japan.

Other: Norway, Portugal, Switzerland, United States.

Brazil. It is essential to have specific legislation on the matter in order to avoid the proliferation of fraud and wrongful use of the system. On the other hand, legal instruments must be constantly updated to keep abreast of the pace of change in the world today. It is therefore desirable to have a specific recognition of the special characteristics mentioned in Question 7 above.

CNC: Yes, should the instrument adopted be a Recommendation. This matter must continue to be left to every member State's domestic legislation.

CNI: Yes, with account being taken of the replies given to Questions 1 and 2.

Burkina Faso. Such legislation must take account of the particular characteristics of cooperatives.

CNPB: Yes, given that cooperatives have particular characteristics that need to be taken into account.

Canada. Specific legislation on cooperatives should be adopted and be revised as needed. This allows for cooperatives to evolve according to their own criteria and not according to issues facing other types of activities. Recognition of the ICA cooperative principles should be referred to as an ideal from which variations are still acceptable in prescribed cooperative rules of operation. In Canada, the federal statute simply states in a preamble that "cooperatives in Canada carry on business in accordance with the internationally recognized cooperative principles".

Chad. Specific legislation for cooperatives should be put in place and periodically revised to adapt it to the context in which cooperatives operate.

CST: Yes to both parts of the question.

Croatia. But it should not be periodically revised.

SSSH: No.

Egypt. FEI: No.

El Salvador. It is definitely desirable, as the principles need to be strengthened and supported by the legislation in order to retain their identity.

Estonia. EAKL: Absolutely.

Ethiopia. Cooperatives without cooperative principles are not genuine.

Finland. This depends on national circumstances.

SAK and STTK: Yes, with reference to comments on Question 7.

Ghana. To enhance the identity, principles and values of cooperatives.

GEA: The members must be involved in the formulation and periodic revision of such legislation.

Greece. PASEGES: Member States should adopt specific legislation only if this is indispensable for the development of cooperatives themselves.

Guyana. Cooperatives must operate on business principles, but their peculiarities must be given due consideration by legislation.

Indonesia. The cooperative characteristics contained in the ICA Statement on the Cooperative Identity are recognized and therefore they should be stated in legislation.

Employers' organizations: It is essential that the government adopt specific legislation to create an enabling environment.

Italy. Yes, although at present there seems to be a tendency to treat them on the same footing as all other enterprises.

Legacoop: States should adopt specific legislation and update it as necessary while complying with the principles referred to in Question 7.

Japan. Although it is desirable that member States adopt specific legislation on cooperatives, the revision should be made as necessary by monitoring the situation: "as necessary" rather than "periodically".

Jordan. ACI: In order to strengthen these principles under the law.

Kenya. This would promote similarity among cooperatives for easier administration and regulation.

Lebanon. Provided that each member State shall determine the cooperative principles which are appropriate to its own social, economic and political conditions.

Malaysia. MEF: The characteristics listed in Question 7 are unique to the cooperative movement and should be highlighted in the legislation.
ANGKASA: Existing principles place too much emphasis on process, not purpose.

Mali. Respect for universal principles.

Mauritius. This will maintain the identity of cooperatives.

Mexico. The benefit for the community is not based exclusively on social assistance but may also be seen in terms of benefits to cooperative members.

Morocco. It is desirable that member States adopt specific legislation on cooperatives, as is the case in Morocco. Member States should also periodically adopt procedures and standards to revise this legislation so that it may keep pace with recent developments in the external environment and expectations. In order to make cooperative legislation more meaningful and effective, fundamental provisions should explicitly refer to the internationally recognized basic principles of cooperatives mentioned in Question 7.
ODC: Yes, in order to establish a single body of cooperative legislation covering these different points.

Nepal. However, every State should follow the principles laid down by the ICA Statement on the Cooperative Identity.

Norway. The need for legislation will vary from country to country. Most countries have enacted legislation on cooperatives but Norway is among the exceptions to this. A governmental committee has been set up to assess the need for legislation dealing specifically with cooperatives and will present its recommendations by the end of 2001.

Panama. Specific legislation on cooperatives should recognize and maintain the unique characteristics of cooperatives established in the ICA Statement on the Cooperative Identity.
CACPYMER: This cannot be separated from Question 7.

Saint Kitts and Nevis. The basic principles listed in Question 7 should be enshrined in legislation.

Saint Lucia. Yes, the independent nature of cooperatives should be accentuated.

Senegal. There are good reasons for providing mechanisms which will safeguard the particular characteristics of cooperatives referred to above.

Slovakia. As regards the essential principles of the cooperative movement.

Switzerland. Member States should adopt specific legislation for cooperatives and should revise such legislation periodically but only in response to actual needs. There is no need to cover all possible contingencies — it is for countries themselves to establish their own systems of company law.

Tajikistan. Yes, specific legislation in member States must take account of the particular cooperative characteristics referred to in Question 7.

Trinidad and Tobago. This will ensure that the legislation remains relevant in response to environmental changes.

United Kingdom. Yes, it should be adapted to suit specific circumstances and types of cooperative.

United States. Yes to the first part of the question, recognizing that such legislation may be implemented at various levels of government. No to the second part. However, it may be desirable for such legislation to reflect the characteristics contained in the ICA definition of cooperatives.

Zimbabwe. It helps give cooperatives the identity and values which shape their operations.

The overwhelming majority of replies supported the view that member States should adopt and periodically revise specific legislation on cooperatives. This view was shared by governments as well as employers' and workers' organizations. An equally great majority of replies was in favour of including in such legislation explicit recognition of the cooperative principles listed in Question 7. The provision contained in Question 15 has been included in the Proposed Conclusions as *Point 15*.

Qu. 16 *Should the instrument recommend the consultation of the employers' and workers' organizations concerned, as well as cooperative organizations, in the formulation of cooperative legislation?*

Total number of replies: 93.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, France, Gambia, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Venezuela, Zimbabwe.

Negative: Croatia, Germany, Japan, Namibia, Uruguay.

Other: Finland, Lebanon, Portugal.

Barbados. BWU: Democratic participation is necessary to achieve common ground and to stimulate interest in cooperatives as well.

Brazil. Any discussion on cooperative legislation should be in addition to the principles of tripartism advocated by the ILO.

CNC: This matter must continue to be left to each member State's domestic legislation.

Bulgaria. By doing so, cooperatives can best fulfil their role in society.

Burkina Faso. Legislation should be formulated in a participatory process in which all the partners in cooperative development should be involved.

CNTB: To ensure follow-up and broad-based participation.

Chad. Organizations involved in the life of cooperatives should be consulted before formulating legislation on cooperatives.

CST: Yes.

Costa Rica. The instrument should recommend the participation of all the social partners in the formulation of cooperative legislation, but only those within the cooperative sector.

Egypt. Cooperative organizations are among the social partners.

El Salvador. In order to reach agreement on arrangements with other sectors and obtain a solution to specific problems within society.

Ethiopia. With some doubts on the part of the employers' organizations.

France. GNC: Since the purpose of such legislation is to express in terms of positive law the social and economic characteristics of cooperatives, there might be some question as to the usefulness of consulting employers' or workers' organizations, whose basic aim is not the promotion of cooperatives.

Germany. No, consultation only with cooperative organizations as those directly concerned.

BDA: Yes.

Ghana. To promote the spirit of tripartism.

GEA: So that when cooperative legislation is promulgated it serves the interests of the social partners.

TUC: Tripartism; all the stakeholders should be involved.

Greece. PASEGES: Yes. When the dialogue carried out before the formulation of a draft law is broad-based and sincere, the law will be more effective and better adapted to the needs of cooperatives.

Guyana. All the stakeholders must be involved in the process. The instrument must be specific about this.

India. Those to be consulted are prominent cooperators, national-level cooperatives, cooperative academics, other successful cooperatives, cooperative experts, etc.

Indonesia. They should be involved in the formulation of cooperative legislation because it should not be detrimental to the interests of cooperatives.

Italy. In this respect, it would seem appropriate to take countries' domestic legislative and regulatory frameworks into consideration.

Legacoop: Cooperatives must be the main partners in talks with the legislature. For the matters within their purview, contributions may be sought from the other organizations mentioned.

Japan. Legislation concerning cooperatives should prescribe the basic principles and does not always need to take on the viewpoint of workers or employers. Whether each government

consults with the employers' and workers' organizations should be determined based on the substance of the legislation. Therefore it is inappropriate and unnecessary to recommend mandatory consultation. Considering that the proposed document is an ILO instrument, the provisions on consultation with cooperatives should be drafted for example as follows: "taking into consideration the views of … as appropriate".

Lebanon. This can be done through existing bodies and councils in member States, such as the social and economic council.

MHC: Yes.

NFC: No. When formulating cooperative legislation, it would be preferable to consult cooperative federations. According to members' experience, they can solve problems.

Malaysia. It is important to obtain a consensus so that the law can be implemented and adopted by all concerned.

MEF: Input from all parties is important in order for the legislation to be accepted.

Malta. GWU: It is only through such consultations that the nature of cooperatives in a particular country is truly identifiable.

Mauritius. Because cooperative organizations are employers, whilst workers' organizations also run cooperatives.

Mexico. There should be broad consultations on any legislative initiatives.

Morocco. Since employers' and workers' organizations are major partners in the cooperative area.

ODC: In order to take account of the different viewpoints and positions of the organizations concerned.

Namibia. Cooperatives only.

Norway. Provided consultation refers to the "most representative organizations" of workers and employers.

Panama. The establishment of cooperative legislation should be the result of a process of consultation and consensus.

CACPYMER: The legislation would be incomplete without the participation of all segments of society.

Slovakia. Tripartite consultations and the tripartite decision-making process are inevitable.

Sri Lanka. Consultation of employers' and workers' organizations is necessary in order to share their experience.

Swaziland. Including all the other stakeholders.

Switzerland. UPS: The State should do more than maintain the fundamental conditions needed for economic activity. Employers' and workers' organizations should be consulted on this, in accordance with national practice.

Syrian Arab Republic. Since cooperatives alone are not sufficient, employers' and workers' organizations should be consulted. Their experience should be used in formulating laws, since they are partners.

United Republic of Tanzania. TFTU: In order to involve the social partners in the promotion of cooperatives.

Thailand. Other social groups in the community, such as educational institutes or the private sector, should also be consulted.

Trinidad and Tobago. While cooperative legislation is highly specialized and only applicable to cooperative societies, it will have implications for employers' and workers' organizations, and they should therefore be consulted.

ECA: Those affected will be cooperatives and they should be the primary groups involved in such consultations.

CCUL: However, consultation should be biased towards cooperative groups.

United Kingdom. But not a lengthy process.

Zimbabwe. All stakeholders' views should be catered for.

A very large majority of replies received from governments and employers' and workers' organizations supported the provision that the formulation of cooperative legislation should be done in consultation with employers' and workers' organizations and cooperative organizations. Some replies indicated that the institutional framework for such consultation already exists in the country concerned. A few replies indicated that the consultation process should be extended to all the other stakeholders concerned in cooperative development. In view of the fact that it would be impossible to draw up a comprehensive list of all stakeholders in all member States, the Office has decided to retain the original formulation of the provision contained in Question 16, which has been included in the Proposed Conclusions as *Point 15(3)*.

B. Establishment of support services for cooperatives

Should cooperatives have access to a package of support services to strengthen their business viability and their capacity to create employment and income? **Qu. 17 (1)**

Total number of replies: 93.

Affirmative: Algeria, Argentina, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Morocco, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Senegal, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Austria, Kuwait, Switzerland.

Other: Lebanon, Portugal.

Argentina. This should not be seen simply as a "horizontal" provision of services, it is also necessary to plan social and production strategies.

Austria. LuFAS: Yes.

Azerbaijan. ATUC: Support services could be created by the government where this is provided for by legislation, and also by associations and federations of cooperatives. Access of cooperatives to all support services should be on an equal basis with all other economic entities.

Barbados. BWU: Not enough is being done to establish the true potential of cooperatives. Education of members needs to be addressed.

Belgium. In Belgium this is currently the responsibility of the cooperative federations. All support services should be guaranteed by the federations.

Brazil. Care should be taken that such policies do not provide an incentive for people to replace personnel protected by labour legislation by cooperative workers merely as a means of cutting enterprise costs.

CNC: This matter must continue to be left to each member State's domestic legislation.

CNI: Yes, with account being taken of the replies given to Questions 1 and 2.

Bulgaria. Links with employment services and with training services for the unemployed can be useful in this respect.

Burkina Faso. CNPB: But cooperatives should first be strengthened before expanding their activities.

CNTB: To ensure better follow-up.

Chad. CST: It is unquestionably true that support services for cooperatives are needed for these purposes.

Costa Rica. With markets opening up and increased competition, cooperatives need to have access to a number of institutional services and to improve their management capacity if they are to become competitive. The instrument should establish guidelines in a plan or strategy whereby cooperatives can gain access to such support services.

El Salvador. To strengthen cooperative initiatives with impact on the community.

Finland. In the same way as other similar enterprises. On the one hand, the special features of cooperatives have to be taken into account when offering support services, while on the other hand, no preferential treatment is required.

SAK and STTK: As a general comment to all points under Question 17, the establishment of support services should have a wider perspective than just cooperatives, i.e. it should also cover small enterprises and other groups facing similar problems.

France. CFDT: Yes, based on cooperation between the entities concerned.

GNC: Yes.

Germany. Yes, but only within a context of sector-based promotion, rather than promotion based on the legal form of the enterprise.

BDA: No. Cooperatives operate on the market just as other forms of enterprise. Any subsidy should therefore be granted only in exceptional cases, and for a limited period of time.

Ghana. To enhance viability and competitiveness.

GEA: No. The services should be geared to meeting the specific needs of cooperatives of a specific type or region and so that the quality of services can be controlled by the users.

Greece. PASEGES: Yes.

Guyana. This is an absolute necessity for the success of cooperatives and must be enshrined in the instrument.

India. It should be left to the cooperative to decide whether or not to utilize the package of support services provided by any external agency.

Indonesia. The critical problems faced by most cooperatives are lack of human resources, management capability and finance.
Employers' organizations: Yes, to develop and enlarge the cooperative itself.

Italy. Legacoop: Particularly in order to obtain more accurate information on the market, with special attention to international markets.

Japan. NIKKEIREN: Financial assistance is necessary at the time of establishing cooperatives and during their development. Although financing falls within the responsibility of the members of cooperatives in principle, it is often difficult for them to raise funds alone. In order to address such situations, assistance by national or local governments is indispensable, and it is essential to establish a system for financial assistance. Preferential tax treatment should be based on the extent to which the activities of the cooperative concerned contribute to the public interest.

Kuwait. This should be left to national policies.

Lebanon. The extent of support depends on the nature of the cooperative's activity and its size.
MHC: Yes.
NFC: Yes.

Malaysia. Cooperatives can be used as a form of machinery for these purposes.

Mali. As a support measure.

Malta. GWU: At the initial stages.

Mauritius. Creation of employment and income generation contribute to national wealth.

Mexico. Yes, through the federal government and local governments, and through the national cooperative movement.

Morocco. In order to promote cooperatives, strengthen their social and economic activities, ensure their sustainability and increase their productivity.

Panama. Support services should be established collectively by cooperatives and governments with the support of international bodies.
CACPYMER: It is a mandatory obligation of the State to provide and promote an enabling environment for the development of cooperatives.

Philippines. Especially when the cooperative is not yet viable.
BLE: Support services are necessary for new cooperatives to sustain their operations.

Senegal. In Senegal, the technical support unit which assists savings and loan associations could extend its services to all cooperatives.

Slovakia. This is the main task of a system.

Spain. With public, private or mixed participation, depending on the level of development of each country.

Swaziland. But there should be no handouts.

Switzerland. This is not a priority task for the State, especially in the industrialized countries.

UPS: It is not the State's role to set up "support services", whether for cooperatives or other types of enterprise.

Syrian Arab Republic: Financial support and support in kind.

Trinidad and Tobago: Such support comes from apex or secondary bodies. The government could assist in special circumstances.

United Arab Emirates: At the initial stage of establishment or registration, but once it has proved viable, the support should be gradually lifted.

ICCI: Provided that it does not include any direct financial support from the State or employers; the support services should be provided for a fixed period not exceeding three years from the date of establishment.

United Kingdom: This is important, but should be part of the normal business support services market and should not be subsidized in such a way as to distort the market. The co-operative sector itself may be in the best position to provide appropriate support services.

Zimbabwe: To capacitate them.

Qu. 17 (2) *If so, should these services include the following?*

(a) training programmes for the improvement of the entrepreneurial capabilities of members, managers and employees of cooperatives?

(b) research and management consultancy services?

(c) access to finance and investment?

(d) external audit and accountancy?

(e) management information services?

(f) information and public relations services?

(g) consultancy services on technology and innovation?

(h) legal and tax services?

(i) other specialized services? (Please specify.)

Total number of replies: 91.

Affirmative: Algeria ((a) to (d) and (f) to (h)), Argentina ((a) to (e) and (g) to (i)), Azerbaijan ((a) to (h)), Bahamas, Barbados, Belarus, Belgium, Benin ((a) to (h)), Bolivia, Brazil ((b) and (c)), Bulgaria ((a) to (c) and (e) to (i)), Burkina Faso ((a) to (h)), Cambodia ((a) to (h)), Cameroon ((a) to (h)), Canada, Chad, Chile ((a) to (h)), China ((a) to (h)), Colombia ((a) to (h)), Costa Rica, Croatia ((a) to (h)), Cuba ((a) to (h)), Cyprus, Czech Republic, Ecuador, Egypt ((a) to (h)), El Salvador, Estonia ((a) to (h)), Ethiopia ((a) to (h)), Finland ((a) to (h)), France ((a) to (h)), Gambia ((a) to (h)), Germany ((a) to (h)), Ghana, Guyana, Hungary, India, Indonesia, Iraq ((a) to (h)), Israel ((a) to (h)), Italy ((a) to (h)), Jamaica ((a) to (d), (f), (g) and (i)), Japan ((a) to (h)),

Jordan ((a) to (c) and (g)), Kenya, Republic of Korea ((a) to (h)), Lebanon, Lithuania ((a) to (h)), Malaysia, Mali ((a) to (h)), Malta ((a) to (g)), Mauritius ((a), (b), (d) to (g)), Mexico, Republic of Moldova ((a) to (h)), Morocco, Namibia ((a) to (h)), Nepal, Nicaragua, Norway ((a) to (h)), Oman ((a) to (h)), Panama, Peru ((a) to (h)), Philippines, Poland, Romania, Russian Federation, Saint Kitts and Nevis ((a) to (g)), Saint Lucia ((a) to (h)), Senegal, Slovakia, Slovenia ((a) to (h)), Spain, Sri Lanka, Swaziland ((a) to (h)), Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo ((a) to (h)), Trinidad and Tobago, Tunisia ((a) to (h)), Turkey ((a) to (h)), Ukraine, United Arab Emirates ((a) to (h)), United Kingdom, United States ((a) to (h)), Uruguay ((a) to (h)), Venezuela, Zimbabwe ((a) to (h)).

Negative: Argentina ((f)), Austria, Azerbaijan ((i)), Benin ((i)), Brazil ((a), (d) to (i)), Bulgaria ((d)), Cameroon ((i)), Colombia ((i)), Croatia ((i)), Cuba ((i)), Estonia ((i)), Germany ((i)), Italy ((i)), Jordan ((d) to (f), (h) and (i)), Republic of Korea ((i)), Malta ((h) and (i)), Peru ((i)), United States ((i)), Uruguay ((i)), Zimbabwe ((i)).

Other: Algeria ((e)), Jamaica ((h)), Lebanon ((a) to (h)), Namibia ((i)), Portugal.

Argentina. (c) Especially in the light of the weakness of cooperatives in terms of capitalization, and the need for means of analytical and diagnostic staff. (g) It is essential to create links with the science and technology sector. (i) Sectoral and regional studies of the areas in which cooperatives can develop.

Austria. LaFAS: (a), (b), (g) and (h)Yes.

Barbados. (a) Participation in training programmes should be a condition for the granting of assistance. (i) The analysis and publication of data on the performance of cooperatives.

BWU: (b) Research and consultancy services are not adequately used because one can become comfortable with the way things are done at present. Improvements through change and development need to be encouraged. (c) Where workers have viable business ideas with little or no capital to finance the venture, these services should be provided. (d) This may be lacking, especially in small cooperatives where there are ordinary volunteers who are unable to perform these functions. (e) This area is critical as the agency expands and the volume of work becomes greater. In many instances the efficiency of the enterprise may be greatly hampered because of the length of time it takes to process, distribute and access information. (f) Publishing what the cooperative has to offer to members is vital for the creation of new services, such as mortgage information. (g) The changing pace of technology should be reflected in the operation of cooperatives. Since cooperatives compete for the same clientele that banks do they must, where possible, be in touch with changes in technology which would enhance their service to the public.

Belgium. (b), (d) to (h) Particularly for small cooperatives. (c) But unequal treatment should be avoided. (i) Support in obtaining access to subsidies.

Brazil. (a) Such programmes should be developed by those institutions which are related to the cooperative movement. The government could decide to make resources available. (b) Existing services must make their capabilities available to the cooperative sector. (c) It is important for governments to make resources and funding available to the sector. (d) to (f) The representative bodies in the sector should provide these. (g) The representative organizations in the sector must seek out such services in both public and private arenas. In the public arena, such information must be provided free of charge. (h) Legal and tax advice must be given by

the representative bodies in the sector. Governments should be responsible for inspections to ensure compliance with the cooperative legislation.

CNI: (a) to (h) Yes.

OCB: (i) Studies of business viability.

Bulgaria. (a) There should be training programmes at all levels. (b) These services can develop business plans, marketing plans, investment programmes, etc. (c) Such access on preferential terms is needed for cooperatives with low- and middle-income members. (d) This would not be very useful, since they are not acquainted with the particular characteristics of cooperatives. (e) Management information will be assimilated swiftly by cooperative management teams. (f) It is better to develop public relations by these means. (g) Very useful for cooperatives in the area of applied science. (h) This would ensure correct application of tax law and other legislation. (i) Services to ensure a cooperative policy that is integrated with cooperative policy in the European Union (EU).

Burkina Faso. (b) These help make cooperatives more efficient. (c) Strengthens their financial capacity. (d) Ensures transparency within cooperatives. (f) Would enhance cooperatives' performance. (g) This enables them to provide a better service to their members and strengthen their capacity.

CNPB: (a) Cooperatives always need training in order to survive and grow strong. (b) This should be done through gradual planning. (c) This is the main bottleneck for cooperatives and other economic actors. (d) Financial and accounting support is essential to the proper management of cooperatives. (e) These services should be put in place gradually as the cooperative develops. (f) To raise people's knowledge of cooperatives. (g) This should be done gradually, since cooperatives may not be able to bear the cost of such services. (h) The cost should be taken into account. (i) Yes, depending on the cooperatives' resources.

CNTB: (i) The expertise of other associations of interest to cooperatives.

Canada. (i) Particularly in cooperative governance and operations, director training, leadership training, member participatory and consultation techniques, parliamentary procedures, group dynamics, visioning, community awareness and franchising.

Chad. (i) Any service arising out of new technology or additional service specifically for cooperatives.

CST: (i) Other services such as purchasing, storage of foodstuffs and provisions in areas affected by shortages, access without discrimination to continuing training for development workers (grants, internships, seminars, study trips), improved health education, creation of village pharmacies.

Costa Rica. (a) to (h) It is important for cooperatives to have access to these various services in order to be more competitive. (i) The establishment of an office through a government body to determine which strategic activities may be made cooperative and to identify the groups that are most likely to organize in cooperatives.

Croatia. URSH: (a) It is essential in order for cooperatives to face market conditions. (i) Training in special or locally needed skills.

Cyprus. (i) Internal control system.

Czech Republic. (i) Health and safety at work.
Employers' organizations: (i) No.

Egypt. (a) To improve their skills for the promotion of cooperatives.

El Salvador. (a) So that specialized work will improve the quality of goods and services. (b) To broaden markets, improve administration and provide a better service to clients. (c) To have sufficient working capital to create new projects. (d) To have better controls in order to

provide producers and consumers with guarantees. (e) Such information should offer the range of services needed by the cooperative and also the best means of access to them. (f) To improve promotion and advertising. (g) To improve production, productivity and quality. (h) To comply with commercial and fiscal regulations. (i) To have access to computers, the Internet and the entire range of communications.

Estonia. EAKL: (i) Bookkeeping.

France. CFDT: (a) to (h) Yes. Access should be provided to services which exist for all enterprises, and specific mechanisms should be created to take into account the particular economic characteristics of cooperatives.

GNC: These depend on the resources available and are matters for internal negotiation (if the measures are to be financed by the cooperative federations) and negotiation with the public authorities or decentralized public bodies (in the regions, etc.), which should be concerned to promote the development of sound, dynamic cooperatives capable of developing and promoting job creation.

Ghana. (a) To enhance skill and knowledge acquisition. (b) To increase innovation and improve entrepreneurial capability. (c) To strengthen business viability. (d) To improve access to financial advice and guidance. (e) To improve managerial capability and effectiveness. (f) To adapt effectively to competition and the environment. (g) To adapt to rapid technological change. (h) Fair and equal treatment; positive tax treatment: tax incentives and concessions. (i) Education and training.

GEA: (a) Education and training programmes for this category of their members entail higher costs than cooperatives can cover. Public support services in this field are of crucial importance. This will help to educate them on the nature and benefits of working together the cooperative way. Without that, cooperatives cannot expect their members to be committed to good solidarity. (b) Cooperatives on their own cannot provide these services at reasonable cost and of the required quality. On the other hand, they can build their own system of support services at the regional and national levels jointly.

Greece. PASEGES: (a) and (b) Yes.

Guyana. (a) Success or failure depends on the capabilities of those involved. Training — and most of all entrepreneurial skills — must be enhanced. (b) Officers of apex bodies should be trained to offer such services. (c) There is a need for special arrangements for providing capital for cooperatives. (d) External auditing must be part of the accountability process. (e) This is necessary to highlight the importance of cooperatives. (f) Public relations are all too often overlooked; they have the capacity to promote confidence and growth of cooperatives. (g) Cooperatives, like any other business, need technology. (h) These special skills should be available to cooperatives.

Indonesia. (a) For the most part, entrepreneurial capabilities of cooperatives are still weak. (b) Research and development for improving quality and cooperative products should be provided, since there is limited capacity in research and management. (c) Most cooperatives lack access to finance, which inhibits investment. (d) These can reflect transparency of cooperative management. Cooperatives should define their modes of transparency (e.g. reporting) but the law may set minimum standards for transparency and penalties in the case of non-compliance by all stakeholders. (e) These are very important. (f) These are key success factors to sustain the growth and development of cooperatives. (g) To improve the quality of cooperative products. (h) When formulating taxation law and policy, the special nature of cooperatives should be recognized. (i) Training programme to improve their working environment and working conditions.

Employers' organizations: (a) Yes. Every country needs training. (i) To maintain and increase the relationship between employers' organizations and trade unions.

Workers' organizations: (d) Yes. To improve credibility of cooperatives. (h) Yes, but there should be special low taxes.

Israel. (d) Preferably cooperative audit, but the choice is up to the cooperative.

Italy. (c) In accordance with the provisions governing the specific sectors in each country. (d) But only if there is a system of facilities and assistance to justify these measures. (e) In interacting with the public. (f) Given their size and types of activity. (g) With regard to operations which require constant technological adjustments. (h) This would definitely be appropriate in the light of their activities and complexities with regard to size and structure.

Confcooperative: (a) to (h)Yes.

Legacoop: Services should be appropriate to the sector and the size of the cooperative concerned.

Jordan. ACI: (d) Yes.

FJCC: (d) Yes.

GFJTU: (a) to (i) Yes.

Kenya. (i) Provision of access to government extension services for producer cooperatives and access to investment finance and credits for the expansion of services.

Lebanon. (a) This is important, to the extent possible. (b) Important for sound cooperative activity. (c) Within the limits of national laws and regulations. (d) Through procedures provided for by the laws and regulations in force. (e) This would help promote the sound management of cooperatives. (f) This can be provided through a specialized unit concerned with cooperative activities within cooperatives. (g) This is useful for any area of work; it is also important to have access to modern communication systems and scientific literature. (h) These are useful and important.

MHC: (a) to (h) Yes.

NFC: (a) to (h) Yes, intensifying training enables managers to make sound decisions in their work. (d) This is the responsibility of the federations.

Malaysia. (b) These will support management to ensure sustained growth. (c) Cooperatives need money to accomplish their purpose. (g) This will help cooperatives to secure professional excellence on a par with other business concerns. (i) Cooperative secretarial services.

MEF: (a) Training and retraining is important in an ever-changing business environment.

ANGKASA: (i) Internal auditing; capitalization.

Mali. (a) Strengthen the autonomous capacity of elected members. (b) Monitoring and responsibility for enterprises in the social economy at the national level. (c) Provide members with the same access to services. (d) External audit to validate annual accounts. (e) Ensure compliance with the law. (f) Ensure the viability of enterprises in the social economy. (g) Creation of fulfilling and satisfying employment. (h) Compliance with the uniform rights and regulations of international organizations.

Malta. GWU: (a) As part of the initial package. (b) At a fee. (c) On terms which are the same as other micro-enterprises, unless they have a specific social commitment. (i) Banking facilities.

Mauritius. (a) This can be done in universities, the apex organizations or federations in collaboration with other cooperative educational institutions. (b) Either through government or through self-supported cooperatives. (d) To maintain and conform to audit standards. (e) Cooperatives should be managed professionally with qualified personnel. (f) To maintain a good public image. (g) To be competitive, efficient and effective.

Mexico. (a), (c), (e), (f), (h) With the participation of the Federal Government and local governments, as well as the national cooperative movement. (b) Through technical assistance

bodies established by the national cooperative movement. (d) Sponsored by the national cooperative system itself. (g) Through the national cooperative movement. (i) Conservation of environmental resources.

Morocco. (i) Such as the employment and recruitment by cooperatives of highly competent and specialized staff in the field of studies, computer science, publications, management, governance and guidance for cooperatives.

ODC: (a) to (h) Yes. (c) In order to simplify procedures for obtaining credit and to encourage investment. (d) By encouraging the creation of accounting and management consultancy cooperatives. (g) In order to keep pace with technological and technical developments in industry. (h) Through easy-to-read explanatory publications which set out members' rights and obligations and those of others involved in the cooperative sector. (i) No.

Namibia. (a) Especially leaders/managers. (c) Not to investment. (i) Mentor scheme.

Nepal. (i) Education and training need to be provided to the new generation through formal and informal mechanisms.

Nicaragua. (i) Promotion of efficiency through updated services.

Panama. (a) Training is essential in order to achieve the goals of cooperatives. (b) Research should provide the basis for the new cooperative education. The ILO could provide advisers and researchers. (c) Support services should provide information on sources of financing and investment possibilities. (d) External audit and accountancy could be provided by external bodies supporting cooperatives. (e) Information, training and advisory services for managers. (f) Support, training and advisory services regarding information and public relations. (g) Support services in advanced technology and social, business and technical innovations. (h) Legal support services. (i) Specialized computerization services.

CACPYMER: (c) National banking legislation should be amended to allow cooperatives greater access to soft loans. (d) This is an obligation laid down in national cooperative legislation. (f) The benefits of establishing investment in these services should be taken into consideration. These should not be considered as costs.

Philippines. (i) Strengthen awareness of human rights.

Slovakia. (a) The essential principle of a cooperative movement. (b) to (i) Within the framework of cooperative requirements.

Spain. (i) Special support services during the initial start-up phase of the cooperative.

CIG: Integrated support services during the first two years after the establishment of cooperatives.

Sri Lanka. (a) Institutions could be set up to improve the entrepreneurial capabilities of members, managers and employees of cooperatives. They also could publish the necessary literature. (d) These are essential for transparency and good governance. (e) These enhance managerial efficiency. (g) Adopt appropriate and state-of-the-art technology to be on a par with other establishments of trade and industry. (i) Human resources development.

United Republic of Tanzania. (d) Yes, if they do not have an established structure.

Thailand. (i) Access to markets.

Togo. (d) In the interests of cooperatives. (g) With a view to achieving modernization.

Trinidad and Tobago. (a) While entrepreneurial training will help, it is important that the management of cooperatives be exposed to business management training on a regular basis, as this will enable them to successfully manage their cooperatives in a rapidly changing business environment. (b) To be provided jointly by regional bodies and government. Where such

bodies are non-existent or not able to provide these services then they should be provided by government until responsibility can be passed on to the regional bodies. (c) To be provided by apex or regional bodies. (d) Audits should be carried out by parties external to the cooperative movement to ensure transparency. (e) to (h) To be provided by apex or regional bodies. (i) Project identification, formulation and execution.

Ukraine. (d) Monitoring by external auditing and accounting services is essential.

ASMPEU: (d) No. (f) Not absolutely necessary. (g) Very important, given that many use obsolete and inefficient technology. (h) Avoid unnecessary inspections, protect against dubious or unlawful sanctions.

TUWAIU: (d) No.

United Arab Emirates. (c) Financial support should be provided at the initial stage and should not continue for ever.

FCCI: (c) Encourage cooperatives to depend on self-financing, not on commercial lending.

United Kingdom. (a) As above. (b) Market based. (c) to (h) As for other enterprises. (i) Conflict management and governance; leadership and democratic control especially for co-operatives.

Zimbabwe. (a) To enhance their capacity. (b) To improve viability. (c) For expansion and diversification. (d) To ensure that cooperatives adhere to acceptable accounting standards. (e) To improve the efficient operation of cooperatives. (f) To access the latest information and improve the cooperative image.

Qu. 17 (3.1) *Should the above package of services, in principle, be financed by the cooperative organizations themselves?*

Total number of replies: 91.

Affirmative: Argentina, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Bolivia, Brazil, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, Colombia, Costa Rica, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, Estonia, Ethiopia, Finland, Gambia, Germany, India, Iraq, Israel, Japan, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Malta, Mauritius, Republic of Moldova, Morocco, Nepal, Nicaragua, Oman, Panama, Peru, Poland, Romania, Saint Lucia, Slovakia, Slovenia, Spain, Syrian Arab Republic, Switzerland, Tajikistan, United Republic of Tanzania, Thailand, Trinidad and Tobago, Tunisia, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Austria, Bulgaria, China, Croatia, El Salvador, Ghana, Guyana, Indonesia, Jamaica, Mexico, Norway, Qatar, Russian Federation, Sri Lanka.

Other: Algeria, France, Hungary, Italy, Lebanon, Mali, Namibia, Philippines, Portugal, Senegal, Swaziland, Togo.

Argentina. The State should also assist in finding other sources of finance.

Austria. BfT: Yes.

Barbados. BWU: No. In some instances cooperatives may not be in a position to finance these services, and the State or other public bodies should provide aid.

Brazil. Most of these services must be provided and funded by the sector itself.

Bulgaria. The State has an interest in the development of cooperatives and should subsidize expenditure by state bodies.

Burkina Faso. Possibly with support from the partners.
CNTB: This is part of the State's obligations.

Canada. Government and other agencies may support such delivery in cases where insufficient capacity exists.

Chad. Yes, since the package of services is an asset to the viability of cooperatives.
CST: Yes, in accordance with the principle of self-financing. Development should be financed primarily out of the cooperative's own resources.

China. Macau: No, especially as regards vocational training. States should, as far as possible, promote or even subsidize such training.

Costa Rica. In the beginning, the cooperative organizations must not be expected to finance such services since, as things now stand, they could not possibly meet such costs. In Costa Rica, this is mainly because many cooperatives are formed by low-income members and therefore their earnings are also very modest.

Denmark. FDC: Yes. But government support is often needed.

Egypt. Funding should be provided by international donor organizations.
FEI: This could be financed partly out of their own resources, and partly by States or by an international institution.

El Salvador. Not necessarily, as it is important to take advantage of available opportunities, including the facilities of governments and other more experienced enterprises.

Ethiopia. If cooperatives are strong enough to provide this package of services.

Finland. Basic support services to cooperatives should be financed by the State, as are support services to all other forms of enterprise. In some cases, the most effective form is cooperation between state-run entities and private-sector organizations. More advanced consultancy services should naturally be financed by the cooperatives themselves.

France. CFDT: Yes.

Ghana. Government should provide support services to strengthen, facilitate and improve the activities and development of cooperatives.
GEA: Cooperatives should establish their own service centres with support from national and international non-governmental organizations (NGOs) in view of the large number of persons to be educated and the high cost involved.

Guyana. Not entirely; initially subventions could supplement financing by cooperative organizations.

Greece. PASEGES: They should not all be financed by cooperative organizations.

India. If it were financed by the cooperatives themselves, they would recognize its importance. If the government is willing to provide assistance, it may do so without interfering in the affairs of cooperatives.

Indonesia. At present cooperatives do not have adequate funds to finance it, and therefore the government should provide financial assistance.

Employers' organizations: No, there is no need for the package of services.
Workers' organizations: No, if there is no financial support. Yes, if funds are available.

Israel. With the help of more established cooperatives or state support where more employment is needed.

Italy. No single answer can be given to this sort of question since account must be taken of every country's diverse legislative, economic and social framework.
Confcooperative: Yes, as far as economically feasible.
Legacoop: No.

Japan. Yes, although some types of support services are necessary, depending on the stage of economic and social development.

Kenya. But support should also come from government, development agencies and NGOs.

Kuwait. In the context of globalization and the market economy, cooperative organizations should rely on self-financing.

Lebanon. This would ensure self-management of cooperatives to a large extent; it also depends on the physical and administrative capacity of the cooperative.
MHC: Yes, with the support of other concerned bodies during the start-up phase.
NFC: Yes, if they have the necessary financial and administrative capacity.

Malaysia. MEF: No. In order to encourage training, funding has to be provided by the authorities or international organizations.
MTUC: Not necessarily, some government support is needed.
ANGKASA: Yes. To remain autonomous cooperative organizations have to be independent. Contribution by cooperatives to a specific fund could be made statutory.

Mali. Make provision for a gradual transfer of responsibilities to cooperatives on the basis of their economic development.

Malta. GWU: Cooperatives could have the facility to decide not to receive any assistance and opt out of the structures of cooperatives.
UHM: However the government should help.

Mauritius. This should be on a self-financing basis to encourage the growth of independent cooperatives.
MLC: No.

Mongolia. CMTU: No.

Morocco. ODC: In order to safeguard the autonomy of cooperatives and reduce the burden on the State, this should be done by establishing funds financed out of the deduction of a percentage of any surplus made by a cooperative.

Namibia. In developing countries HRD-related activities should be substantially subsidized by governments, but services such as auditing should not.

Nepal. However, in developing countries where cooperative organizations are in their infancy, the State should support the package of services.

Panama. Cooperatives could make a contribution, along with governments and international bodies.
CACPYMER: It depends on the financial capacity and management vision of the cooperatives.

Philippines. Yes, when the cooperative organizations are already viable. No, when the cooperative organizations cannot afford to do so.

BLE: No. Cooperatives should also be allowed to meet their financial needs for services from external sources.

Poland. OPZZ: It could be impossible in case of small cooperatives with fewer resources.

Qatar. Cooperatives are not capable of funding these services with their own financial resources.

Romania. Yes, within their possibilities.

Senegal. It could be financed through a partnership between the State and cooperatives.

Slovakia. Participate in financing.

Spain. See comment on Question 17 (1).

CCOO: No. If the promotion of cooperatives is viewed as a means of promoting employment and especially self-employment for low-income people, then the State must be involved.

CIG: Yes, except where the cooperatives cannot generate the necessary resources. However, they must be expected to bear part of the responsibility.

Sri Lanka. The State or NGOs could extend their assistance to finance some of the services.

Swaziland. Participatory financing is recommended.

Switzerland. It should be financed and organized by the cooperatives themselves.

Syrian Arab Republic. Provided that such cooperative organizations are already supported by the State.

Tajikistan. If the activities of cooperatives generate a significant income for the State (for example, in the traditional arts and crafts sector), investments under subparagraphs (a), (b), (f) and (g) could also be made by the State.

United Republic of Tanzania. Yes, but the State should initially bear some costs.

TFTU: Yes, but some should be financed by the government.

Thailand. Because cooperatives must be self-reliant organizations. However, this principle should only be applied when the cooperatives are already well developed.

Togo. In principle.

Trinidad and Tobago. As cooperatives strive for "autonomy and independence" they should be encouraged towards self-sufficiency. Government should assist in special circumstances.

CCUL: The cooperative movement should develop this capacity, and delivery of these services should be financially feasible.

Tunisia. Additional financing by the State could be envisaged but this should be limited as far as possible and in no case should result in interference in cooperatives' business.

Ukraine. Funding from the (state) budget is generally insufficient.

ASMPEU: It is desirable to authorize accessible paid services that are tax-exempt or taxed at lower rates.

United Arab Emirates. The government may also contribute to financing some of these activities in collaboration with cooperative organizations, because the government would be the first beneficiary, followed by members.

United Kingdom. But the very poor cooperatives should be assisted through some form of subsidy, grant or loan.

Zimbabwe. To enhance ownership.

Qu. 17 (3.2) *If such financing is not considered appropriate, or where it is not currently feasible, how should these services be financed?*

Total number of replies: 72.

Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Cameroon, Canada, Chad, Chile, China, Colombia, Costa Rica, Croatia, Cuba, Ecuador, Egypt, El Salvador, Ethiopia, Finland, Gambia, Germany, Guyana, Hungary, India, Indonesia, Iraq, Italy, Jamaica, Japan, Republic of Korea, Kuwait, Lebanon, Lithuania, Mali, Malta, Mauritius, Mexico, Morocco, Nicaragua, Norway, Oman, Peru, Philippines, Portugal, Qatar, Russian Federation, Saint Kitts and Nevis, Slovakia, Slovenia, Spain, Swaziland, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Zimbabwe.

Argentina. The State could act directly where this is justified.

Azerbaijan. Such services should be provided by the State until cooperatives are able to finance them.

Bahamas. Through a joint-venture project.

Barbados. By subventions and incentive packages, provided that cooperatives demonstrate their financial commitment to the enterprise.

Belgium. On a supplementary basis, by regional or local authorities.

Brazil. Mainly through agreements, particularly with representative workers' organizations.

Bulgaria. State funding.

Burkina Faso. Support cooperatives through other contributions if possible.
CNTB: With assistance from external partners.

Canada. Partnership with government, foundations and international institutions, but ensure cooperative autonomy.

Chad. If the above is not feasible, a state subsidy could be envisaged, provided the State does not take advantage of it to interfere in the life of cooperatives.
CST: While outside assistance should not be ruled out, it should be no more than a supplementary contribution.

Chile. By applying for state resources allocated to one of the objectives mentioned above.
CPC: Tax exemptions.

China. Apart from cooperatives, the government should also provide financing.
Macau: In addition to that indicated in the previous question, through special credit facilities.

Costa Rica. Such financing should be over a period of time, repayable with favourable terms and rates of interest, so that the cooperative organizations themselves are responsible for this and, more importantly, are proud of this responsibility. Without the State being paternalistic, it must finance such services at the outset and, to some extent, the cost could gradually be shifted to various cooperative bodies according to their means.

Croatia. Indirect public support (funds); private donations.

Egypt. Through international development agencies and the World Bank.

FEI: Through special funding programmes of international development organizations, the World Bank, and local sources of funding.

ETUF: Through donations and voluntary contributions.

El Salvador. As it is imperative to sustain the progress achieved by cooperatives, recourse must be had to the above as there are no local alternatives.

Estonia. EAKL: Through state assistance; through extra financing from members.

Ethiopia. These services should be financed by the government.

Finland. Support services seem to operate efficiently when there are different bodies working together, such as private enterprises, private and public organizations, third-sector groups and entities run by the government. All actors with all available means are then responsible for financing.

France. CFDT: State assistance.

Germany. State assistance within a framework of sector-based promotion.

Ghana. GEA: Because the package of services entails higher costs than cooperatives can cover, external assistance in these fields is crucial to the success of cooperative organizations at all levels.

TUC: Donor support.

Greece. PASEGES: Through the cooperatives themselves, starting with the most needy cases.

Guyana. The State should provide assistance.

India. Cooperatives are based on self-help and mutual aid.

Indonesia. From other institutions willing to provide financing. International donors could sponsor the package of services.

Employers' organizations: Financial assistance could be provided by NGOs.

Workers' organizations: From other institutions willing to provide financing.

Italy. See reply to Question 17 (3.1).

Confcooperative: Directly by the affiliated cooperatives and out of specific public and private sources.

Legacoop: Services should be obtained by cooperatives both within the movement and on the market.

Japan. Financing should be provided by the cooperative organizations themselves as far as possible, therefore other forms of financing should not be provided. Nevertheless, if no other options are left but to provide some financing, it should be provided in such a manner as to maintain the autonomy and independence of cooperatives.

Jordan. GFJTU: Contributions from members and state support.

Kuwait. From the return on their activities, as the best investment of their resources.

Lebanon. Through government support, i.e. consultancy services, which can be provided by the concerned cooperative department, members' contributions, or grants from other individuals or concerned international organizations.

NFC: The State should provide some assistance.

Malaysia. ANGKASA: Through government grants; partnership with the private sector, but without sacrificing cooperative principles and characteristics.

Mali. Through the issue of social shares; refundability. The State must be able to contribute to this financing initially.

Malta. Co-financing by the State?
AOC: By the State, without any strings attached.

Mauritius. From a common fund to be created by cooperatives themselves.

Mexico. With the help of the federal government and local governments where possible.

Mongolia. CMTU: The government should finance these services until the cooperative organizations can bear the cost. Government can contribute in full or in part for the period required.

Morocco. If cooperatives are not able to finance this, it should be born by the State, in cases of extreme urgency, in the form of loans granted to cooperatives.
ODC: Through state assistance.

Nicaragua. By improving cooperation.

Norway. Needs will vary from country to country, depending on the general level of development and on the cooperative bodies' scope and financial strength. Research and education on cooperatives should, however, be incorporated in government programmes where this is a natural course of action.

Oman. By means determined by the State in accordance with their funding policies for other sectors and their economic development objectives.

Philippines. There should be legislation to this effect until the cooperative organizations are viable.
BLE: Through sponsorship or through an allocation provided by the government through the agency concerned.

Poland. OPZZ: It could be partly financed by national unions of cooperatives out of a fund established for this purpose.

Qatar. The State should be responsible for funding and should encourage cooperatives to participate according to their financial resources.

Russian Federation. By the State.

Saint Kitts and Nevis. Through government resources, direct grants, etc.

Slovakia. The State and other institutions.

Spain. Through public contributions in the context of joint activities with the cooperative movement.
CCOO: Out of the state budget.
CIG: Out of the public budget (funds allocated to enterprise promotion and restructuring, labour policy, rural areas, etc.). Out of cooperative funds where possible.

Sri Lanka. MCD: Through NGOs and relevant organizations.
CCE: With other cooperative institutions.

Swaziland. In kind, on a revolving basis.

Tajikistan. Finance should be provided by an association of cooperatives or by a sponsor and the cooperatives themselves.

United Republic of Tanzania. Through user fees; co-financing.
IFTU: Through fund mobilization; special voucher from the government.

Thailand. By the government, both central and local authorities; cooperatives should participate in financing with varying degrees of responsibility depending on each cooperative.

Togo. Financing should be provided by any other means with account being taken of the goals and objectives of cooperatives.

Trinidad and Tobago. Through the State for a specified period and reviewed at the end of the allotted period.
ECA: Through grants or loans, but long-term self-sustainability must be the goal.
CCUL: Through grants or loans to develop long-term self-sustainability.

Ukraine. Possibly services provided on credit.
ASMPEU: As self-financing units of associations.
TUWAIU: Participation by the State is also possible during the initial start-up period.

United Arab Emirates. The government should contribute until cooperatives reach a stage where they are able to finance such services themselves.

United Kingdom. The State may provide some services to cooperatives in general but cooperatives should not be given special treatment.

United States. Private funding may be possible if there is no conflict with respect to member control as a result. Public programmes similar to those available to non-cooperative businesses might be made available to cooperatives to foster development.

Zimbabwe. Through donor funding and fund-raising activities.

Replies expressed overwhelming support for the provision contained in Question 17 (1), as well as for subparagraphs (a) to (h) of Question 17 (2). Regarding subparagraph (i), a significant number of suggestions were made for additional services. The Office feels that many of these are appropriate and has decided to include a provision on other services in *Point 16* of the Proposed Conclusions in subparagraph (i). While most governments and workers' and employers' organizations supported the provision recommending that support services should, in principle, be financed by cooperatives themselves, a significant number of replies disagreed with this view because the respondents did not believe that cooperatives have the financial capacity to pay for all support services. Even those that supported the provision often observed that cooperatives in an early stage of development, or those established in poorer countries, should receive some assistance from the State or external donors to finance support services. Many others were of the view that human resource development services should be in any case financed by the State. The Office has therefore amended the provision in the Proposed Conclusions by including the phrase "where feasible and appropriate".

Should the instrument recommend measures to facilitate the access of cooperatives to investment finance and credit? If so: **Qu. 18**

(a) should additional measures be adopted to address related problems, for example, bureaucratic procedures, low level of cooperative assets, cost of loan transactions?

(b) should specific measures be adopted to provide for an autonomous system of finance for cooperatives, including credit and savings co-operatives, cooperative banks and cooperative insurance?

(c) should credit and finance facilities be offered at market conditions as for other forms of business enterprises?

(d) should special conditions be offered to vulnerable groups?

Total number of replies: 92.

Affirmative: Algeria (18), Argentina, Azerbaijan, Bahamas, Barbados, Belarus, Belgium (18 and (a)), Benin, Bolivia, Brazil (18, (c) and (d)), Bulgaria, Burkina Faso (18, (a), (b) and (d)), Cambodia, Cameroon (18), (a), (b) and (d)), Canada, Chad, China (18, (b) to (d)), Colombia, Costa Rica (18), Croatia, Cuba (18, (a), (c) and (d)), Cyprus (18, (a), (b) and (d)), Czech Republic, Ecuador, Egypt (18, (a) to (c)), El Salvador, Estonia, Ethiopia (18, (a) and (b)), Finland (18, (a), (c) and (d)), Gambia, Germany, Ghana, Guyana (18, (a), (b) and (d)), Hungary ((a), (b) and (d)), India (18, (b) to (d)), Indonesia (18, (a) to (c)), Iraq (18, (a), (b) and (d)), Israel, Italy, Jamaica (18, (a), (b) and (d)), Jordan (18, (a) and (d)), Kenya, Republic of Korea (18, (b) to (d)), Lebanon (18), Lithuania, Malaysia, Mali (18, (a), (b) and (d)), Malta (18, (a), (c) and (d)), Mauritius (18, (a), (b) and (d)), Mexico (18, (a), (c) and (d)), Republic of Moldova, Morocco (18 and (c)), Namibia ((a) to (d)), Nepal, Nicaragua, Oman (18, (b) to (d)), Panama, Peru, Philippines, Poland, Qatar ((d)), Romania, Russian Federation, Saint Kitts and Nevis ((a), (b) and (d)), Saint Lucia (18, (a) and (c)), Senegal (18), Slovakia ((a), (b), (d)), Slovenia, Spain, Sri Lanka ((c) and (d)), Swaziland ((a) to (d)), Switzerland ((a), (c) and (d)), Syrian Arab Republic ((d)), Tajiki-stan, United Republic of Tanzania, Thailand (18, (a), (b) and (d)), Togo, Trinidad and Tobago (18, (a), (b) and (d)), Tunisia, Turkey (18, (a), (b) and (d)), Ukraine, United Arab Emirates (18, (a), (b) and (d)), United Kingdom ((b) and (c)), United States (18, (c) and (d)), Uruguay, Venezuela, Zimbabwe.

Negative: Austria, Belgium ((d)), Brazil ((a) and (b)), Burkina Faso ((c)), Cameroon ((c)), Chile (18), China ((a)), Costa Rica ((a) to (d)), Cuba ((b)), Cyprus ((c)), Finland ((b)), Guyana ((c)), Iraq ((c)), Jamaica ((c)), Japan, Jordan ((c)), Republic of Korea ((a)), Kuwait (18), Mali ((c)), Malta ((b)), Mauritius ((c)), Mexico ((b)), Saint Kitts and Nevis ((c)), Saint Lucia ((b) and (d)), Senegal ((a) to (d)), Slovakia ((c)), Sri Lanka (18, (a) and (b)), Switzerland ((b)), Syrian Arab Republic ((c)), Thailand ((c)), Trinidad and Tobago ((c)), Turkey ((c)), United Arab Emirates ((c)), United Kingdom (18 and (d)).

Other: Algeria ((a) to (d)), Belgium ((b) and (c)), Egypt ((d)), Hungary ((c)), India ((a)), Indonesia ((d)), Jordan ((b)), Lebanon ((a) to (d)), Namibia (18), Portugal, Qatar ((c)), United States ((a) and (b)).

Argentina. (b) It would be helpful to encourage the circulation of savings in the regions. (c) SMEs in general do not have access to credit on competitive terms. (d) Setting up and supporting cooperatives should be a matter of social policy.

Austria. LuFAS: (a) Yes.

Barbados. (a) It is necessary to preserve some level of accountability and transparency.

Belgium. (a) Because administrations sometimes lack understanding of cooperatives. (b) Not necessarily, but recognizing that such a system might be justified.

Brazil. Governments should extend to cooperatives those financial services that are already available to the private sector in general. (a) These measures must be the same as those which exist for other social sectors. (b) and (c) No specific measures should be adopted, but the requirements of the cooperative sector should be included in existing financial systems. (d) Governments which already offer special conditions for such groups should include the cooperative sector.

CNC: (a) Yes, should the instrument adopted be a Recommendation. (b) to (c) This matter must continue to be left to each member State's domestic legislation.

CNL: (a) to (d) Yes.

OCB: (a), (b), (d) Yes. (c) No.

Bulgaria. (a) Credit on preferential terms. (b) Cooperatives can flourish if they have their own financial institutions. (c) Cooperatives need special credit and finance facilities. (d) Special conditions are required for disabled persons and their cooperatives.

Burkina Faso. (b) The objectives of these structures should truly be taken into account. (c) More flexible conditions should be offered to cooperatives than to other enterprises. (d) This would help improve their employment creation potential and their economic situation.

CNPB: (a) Yes. This should be done gradually, since there is often a lack of financial resources. (b) Yes, for example, cooperative guarantee societies. (c) Yes, this is the ideal, since in reality neither the State nor the banks feel any concern about these problems.

CNTB: (a) More flexible conditions of access, by establishing microfinance funds. (b) to (d) Yes.

Canada. (b) This option should be encouraged within a broader range of market choices. (c) Depending on who is providing the financing, and the particular objectives of the cooperative recipients, there could be some variation with regard to market conditions. (d) Yes, with set limits and guidelines.

Chad. (a) Without however creating favouritism towards cooperatives to the detriment of other enterprises that have to bear the cost of taxation. (b) Specific measures would address the concern expressed in (a) above.

China: Macau: Access to credit should be subject to special conditions.

Costa Rica. (a) This does not seem appropriate for the type of international instrument proposed, and it would be more suitable for each country to do so according to the characteristics of the credit system. As said earlier, the formalities that cooperatives have to go through need to be simplified; therefore the instrument should address this issue. (b) More thought needs to be given to this point since the financial systems in every country are undergoing sweeping changes, mainly with regard to state regulatory powers. The instrument must include such measures while taking account of each country's particular situation. (c) What is needed is to promote a credit policy for the cooperative sector on very favourable conditions. (d) It is essential for high-risk credit portfolios to be set up together with guarantee funds in order to address the needs of the most underprivileged, who look to cooperatives to improve their standard of living but have difficulties because they have no credit rating and can offer no collateral.

Croatia. URSH: (b) As the normal market price of money is usually too high for cooperatives. (c) No.

Cyprus. Favourable treatment should be adopted for cooperative societies.

Czech Republic. Employers' organizations : (a), (b) and (d) Yes. (c) No.

Egypt. (c) Yes, since cooperatives have social objectives. (d) Equal treatment should be provided to all.

FEI: No. (d) No. It is better to integrate vulnerable groups than to offer them special privileges and facilities.

ETUF: (c) Yes. The social role of these organizations should be taken into consideration.

El Salvador. (d) If a socio-economic assessment shows the vulnerability of these groups.

Estonia. EAKL: (b) No. There is no need for an autonomous system.

Ethiopia. (a) Bureaucratic procedures should be minimized. The low level of cooperative assets should not constitute an obstacle to obtaining credit. A new system has to be introduced to cut the cost of loan transactions. (b) Credit and savings cooperatives in rural areas are very important. Cooperative banks and cooperative insurances are also essential.

Finland. (a) Attention should be given to how to remove obstacles to access investment finance and credit. (b) No preferential treatment or state aid is required. An autonomous system of finance for cooperatives should be recommended where currently feasible. (c) The equal treatment principle should be followed. (d) Yes, when it does not violate normal competition. Vulnerable groups such as unemployed youth and physically and mentally disabled persons are unable to compete fully with commercial firms without special conditions being created.

SAK and STTK: (a) to (d) The establishment of support services should have a wider perspective than just cooperatives, i.e. it should also cover small enterprises and other groups facing similar problems.

France. CFDT: (a) to (d) Yes. (d) Assistance (financial and technical) to unemployed persons who set up cooperatives.

GNC: A distinction should be drawn between measures to facilitate access of cooperatives to finance and measures aimed at promoting the creation of savings and credit cooperatives.

Germany. (b) Yes, but subject to the oversight that exists in the relevant sector, e.g. banking. (d) Yes, with special promotion programmes but with gradual adaptation to market conditions.

BDA: (a) to (c) Yes. (d) No.

Ghana. GEA: (c) This will compel the cooperatives to be efficient and effective in their operations in order to compete with other businesses.

Greece. PASEGES: (a) to (d) Yes.

Guyana. (b) The established commercial sector is usually unfriendly to cooperatives. Therefore financial institutions that are best suited to promote the development of cooperatives must be created. (c) Special conditions should be available for cooperatives. (d) They should be given interest-free credit or subsidies.

India. (b) Various measures may be recommended, but it should be up to cooperatives whether to adopt one or more of them.

Indonesia. Government should facilitate special financial institutions for cooperatives based on a preliminary feasibility study. (d) It is very risky and costly for cooperatives to provide credit to vulnerable groups. Therefore special conditions may be given to them through social service programmes.

Employers' organizations: No. (a), (b) and (d) No. (c) Yes; there should be equal treatment.

Italy. (c) Yes, but account must be taken of each country's domestic market conditions as well as international market conditions.

Legacoop: It would be important to introduce such measures, provided that they are competitive on the market.

Japan. It is important for the development of cooperatives to carry out independent fund-raising activities. Preferential treatment should not be promoted through the international instrument.

NIKKEIREN: Financial assistance is necessary at the time of establishing cooperatives and during their development. Although financing falls within the responsibility of cooperative members in principle, it is often difficult for them to raise funds alone. Assistance by national or local governments is indispensable. Preferential tax treatment should be based on the extent to which the cooperative concerned contributes to the public interest.

JTUC-RENGO: With the obligation to provide full transparency and adequate advice from a specialist on the feasibility of the loan.

Jordan. (b) This should be left to national laws. (c) In view of the specific financial situation of cooperatives, extended faculties should be provided.

ACI: Yes. (a), (b), (d) Yes. (c) No. In view of their weak financial situation cooperatives should be offered funding at preferential rates.

FJCC: (a) to (c) Yes. (d) No.

GFJTU: (a) to (d) Yes.

Kenya. (d) Especially the provision of unsecured loans, concessionary taxation policies and insurance cover against collapse.

Lebanon. (a) This should be left to national laws and regulations. (b) To the extent that cooperatives are capable of establishing such finance institutions; other bodies can also provide the required support. (c) Special services can be provided to cooperatives since they are not for-profit organizations, but this should be left to national laws and regulations. (d) Determining such conditions should be left to national laws.

MHC: (a) to (c) Yes. (d) To the extent that vulnerability can be measured.

NFC: (b) Cooperative banks should be established: they should be managed and financed by cooperatives and granted concessionary loans by the State and other institutions. (c) No.

Malaysia. (d) Assistance may be given to vulnerable groups in the form of grants, subsidies or interest-free loans.

MEF: (a) Funding should be provided at a low interest. (b) This will make the cooperative movement more sustainable and viable. (c) No, rates and conditions should be more favourable.

MTUC: (c) Some discounts could be necessary.

Mali. (a) Creation of credit lines for the refinancing of cooperatives. (b) Integration by way of horizontal cooperation between cooperatives. (c) No, at an interest rate in accordance with cooperatives' practices.

Malta. MEA: (a) to (d) Yes.

GWU: (a), (b) Yes. (c) Not unless they have a specific social commitment. (d) At the initial stages, to put them on a level playing field.

Mauritius. (a) To encourage the movement of capital among cooperatives at the international level. (b) Since many cooperative banks in developing countries have failed, special funding institutions must be encouraged (e.g. trust funds, insurance, financial corporations, leasing cooperatives, etc.). (c) When cooperatives have accumulated their own funds they may offer facilities on a cost-covering basis.

Mexico. (a) In accordance with the laws and practice of each country. (b) Measures need to be flexible and defined in general terms. (c) Through the federal and local governments, as well as the national cooperative movement. (d) All members of cooperatives should have equal rights, but some special provisions could be made in the light of individual circumstances.

Namibia. Yes, but no to investment finance. (b) Optional, not compulsory. (d) In HRD and technical issues, but not the cost of finance.

Panama. (a) By establishing standards and clear rules for these procedures. (b) By establishing mechanisms for the development of cooperative funds and guarantee funds. (c) Advising cooperatives on the negotiation of such facilities.

CACPYMER: (b) Yes. This would be a most timely and appropriate measure to provide an initial boost to cooperatives and strengthen them. (c) This would be a second option to raise funds to promote loans to members. (d) Yes. Cooperatives should definitely carry out social work among marginalized groups and this is one way of doing this.

Qatar. (c) Cooperatives need special attention compared to other forms of enterprise. (d) According to the needs of each group.

Saint Lucia. Subsidization does not improve effectiveness.

Senegal. (a) to (d) Such additional measures could be provided for by national legislation and practice.

Slovakia. (b) Without any reservation, as far as credit and savings cooperatives are concerned; in the other cases according to individual circumstances.

Spain. CCOO: (a), (b) and (d) Yes. (a) Risk capital and mutual benefit societies should be developed. (c) No, they should be given preferential conditions.

CIG: (a) to (d) Yes.

Sri Lanka. (b) Cooperatives could not only build an autonomous system of finance, but also participate in various systems of finance that are available on the open market.

CCE: (b) Yes.

Switzerland. (c) and (d) Yes, where this is justified by the level of development.

Syrian Arab Republic. (c) Special facilities should be provided, since they take into consideration the interest of persons with a lower income level. (d) Since these groups deserve more protection, by providing interest-free loans, or at a lower rate than loans provided to business enterprises; by providing transportation and raw materials.

United Republic of Tanzania. (d) The elderly, women and youth should be given special consideration.

Thailand. (c) Credit and finance facilities should be offered according to the development level of each cooperative. (d) Yes, but after a certain period all special conditions should be suspended.

Togo. (a) In order to take account of the very important role of cooperatives in the achievement of social progress.

Trinidad and Tobago. (b) The credit unions or financial cooperative sector should undertake this role. (c) This should be determined by the levels of economic and cooperative development in the country and the ability of cooperatives to operate in open market conditions.

ECA: (a) No. (c) Yes.

CCUL: (a) No. Changes which facilitate greater efficiency should be encouraged; however, the principles of sound business should not be compromised. (d) But long-term self-sustainability should be established as a goal.

United Arab Emirates. There should be greater facilities and incentives for cooperatives because they would benefit the government and members.

FCCI: If financial institution policies provide for credit facilities to cooperatives, they should do so on preferential terms, although there are some reservations as to using such means for financing.

United Kingdom. (b) Minimum capital requirements can bear disproportionately hard on cooperatives operating in a regulated financial services industry because gathering foundation capital is more difficult than for a company. It is important that provision should be made for an appropriate capital regime for such cooperatives.

The proposal to include a provision to facilitate the access of cooperatives to investment finance and credit was supported by a large majority of replies, most of which agreed to subparagraphs (a), (b) and (d). Regarding subparagraph (c), a significant number of replies proposed that cooperatives should, because of their special nature, have access to preferential credit and finance conditions. The Office has taken this view into account by adding the words "as far as possible" to *Point 17(a)* of the Proposed Conclusions. A few replies pointed out that decisions on some or all subparagraphs are subject to national legislation, or are dependent on particular national conditions and capacities. The Office takes note of these comments, but since the proposed Recommendation is not subject to ratification, but rather gives guidance to policy, legislation and practice, it has been decided not to reflect these comments in the Proposed Conclusions at this stage. Regarding subparagraph 18(d), the Office has decided to replace the term "vulnerable groups" by "disadvantaged groups" in order to harmonize the text throughout the Proposed Conclusions. The provisions contained in Question 18 have been included as *Point 17* of the Proposed Conclusions.

Should the instrument encourage the development of linkages among all forms of cooperatives in order to encourage an exchange of experience and the sharing of risks and benefits for the promotion of the cooperative movement? **Qu. 19**

Total number of replies: 89.

Affirmative: Algeria, Argentina, Austria, Azerbaijan, Bahamas, Barbados, Belarus, Belgium, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Cambodia, Canada, Chad, China, Colombia, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Ecuador, Egypt, El Salvador, Estonia, Finland, Gambia, Germany, Ghana, Guyana, Hungary, India, Indonesia, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Republic of Korea, Kuwait, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Republic of Moldova, Namibia, Nepal, Nicaragua, Norway, Oman, Panama, Peru, Philippines, Poland, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Slovakia, Slovenia, Spain, Sri Lanka, Swaziland, Syrian Arab Republic, Tajikistan, United Republic of Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe.

Negative: Cameroon, Senegal, Switzerland.

Other: Lebanon, Portugal.

Belgium. The question needs to be clarified. The cooperative representative council might play this role.

Brazil. It is important for the system to have efficient internal relations.
CNC: Yes, should the instrument adopted be a Recommendation.

Bulgaria. General funds should be established for all these purposes.

Burkina Faso. CNPB: Such exchanges are necessary for cooperatives' development.

Canada. This integration would have to be an initiative from the movement. Governments should make sure there is an enabling environment.

Chad. CSC: Yes.

Chile. CPC: Yes.

Costa Rica. The instrument should make it clear that all cooperatives have to give effect to the principle of cooperative integration and that, through this principle, all cooperative bodies can engage in every possible kind of exchange of experience and knowledge.

Denmark. FDC: Yes.

Egypt. To promote and support the cooperative movement.

El Salvador. There should also be greater local and foreign participation in order to expand the market.

France. CFDT: Yes.

Ghana. To enhance cooperation, integration and the process of cooperative development.
GEA: This will help save the weak societies from bankruptcy and reduce costs in order to strengthen their position with regard to competitors.

Greece. PASEGES: The development of links between cooperatives is a prerequisite for the efficient functioning of cooperatives, as well as for competition with private enterprises.

India. Sharing of experience, risks, benefits, etc., should be through mechanisms and methods evolved by the cooperatives themselves.

Indonesia. Through the development of linkages or networking, it will bring about synergy.
Employers' organizations: Sharing of information is also very important.
Workers' organizations: Exchange of information is also very important.

Italy. Such measures must form the essential components of promotion programmes for this sort of enterprise development.
Legacoop: Yes, this has proven to be a good approach.

Japan. The promotion of connections among all forms of cooperatives is considered important.

Jordan. Yes, since this will have positive repercussions.

Kuwait. No objection as to development of linkages in general, but the details should be determined according to the conditions in each member State.

Lebanon. Exchange of information is beneficial, but sharing risks and benefits should be determined by cooperative rules and the wishes of the founding members.

NFC: Encouraging the cooperative movement by raising awareness based on scientific experience and exchange of experience would help provide expertise to officials of cooperatives and improve their competence in managing their cooperatives.

Malaysia. It is vital to maintain such cooperation.

MEF: Sharing of experience is important for other cooperatives to learn from both positive and negative experience.

Mali. Minimize the management risk.

Mauritius. This conforms to the principle of cooperation among cooperatives.

Mexico. Consideration could be given to such exchanges, following consultations with employers' organizations.

Morocco. ODC: Yes.

Panama. Promoting the creation and operation of information networks, forums and exchange mechanisms.

Senegal. Such additional measures could be provided for in national legislation and practice.

Slovakia. This is the essential cooperative principle.

Switzerland. The differences between the various types of cooperative are too great.

Syrian Arab Republic. In such a way that it is not inconsistent with their by-laws and decisions taken by their bodies.

Thailand. If possible, there should also be linkages with the private sector.

Togo. All forms of cooperation likely to contribute to the development of cooperatives should be encouraged.

Trinidad and Tobago. Forging strategic alliances with other cooperatives will serve to develop and strengthen the movement.

United Arab Emirates. FCCI: No.

United Kingdom. Learning from each other. Reference should be made to the ICA principles as "best practice".

Almost all replies indicated that linkages among cooperatives to allow the exchange of experience and the sharing of risks and benefits for the promotion of the cooperative movement should be encouraged by the instrument. Some replies cited the international principle of encouraging cooperation between cooperatives, others mentioned the benefits that would accrue to the cooperative movement as a whole. *Point 18* of the Proposed Conclusions reflects this consensus.

VII. International cooperation

Qu. 20 *Should the instrument recommend that Members take appropriate measures to facilitate international cooperation in the following areas:*

(a) the exchange of information on policies and programmes which have proved to be effective in employment creation and income generation for members of cooperatives?

(b) the encouragement and promotion of linkages between national and international bodies and institutions involved in the development of cooperatives, in order to:

(i) exchange personnel and ideas?

(ii) exchange educational or training materials, methodologies and reference materials?

(iii) facilitate the compilation and utilization of research material and other data on cooperatives and their development?

(iv) establish alliances and international partnerships between cooperatives?

(v) promote and protect cooperative values and principles?

(vi) carry out other activities? (Please specify.)

(c) promotion of the access of cooperatives to national and international data such as market information, legislation, training methods and techniques, technology and product standards?

Total number of replies: 94.

Affirmative: Argentina, Austria ((a), (b)(i) to (v) and (c)), Azerbaijan ((a), (b)(i) to (v) and (c)), Bahamas, Barbados, Belarus, Belgium ((a), (b)(i) to (v) and (c)), Benin, Bolivia, Brazil ((a), (b)(i) to (iii), (v) and (c)), Bulgaria, Burkina Faso, Cambodia ((a), (b)(i) to (v) and (c)), Cameroon ((a), (b)(i) to (v) and (c)), Canada, Chad, Chile ((a), (b)(i) to (v) and (c)), China ((a), (b)(i) to (v) and (c)), Colombia ((a), (b)(i) to (v) and (c)), Costa Rica, Croatia ((a), (b)(iii) to (v) and (c)), Cuba ((a), (b)(i) to (v) and (c)), Cyprus, Czech Republic, Ecuador, Egypt, El Salvador ((a), (b)(i) to (iv)), Estonia ((a), (b)(i) to (v) and (c)), Ethiopia ((b)(ii) to (v) and (c)), Finland, France ((a) and (b)(i)), Gambia, Germany ((b) and (c)), Ghana ((a), (b)(i) to (v) and (c)), Guyana, Hungary, India ((a), (b)(ii) to (v) and (c)), Indonesia, Iraq, Israel ((a), (b)(i) to (v) and (c)), Italy ((a), (b)(i) to (v) and (c)), Jamaica ((a), (b)(i) to (iv) and (vi)), Japan, Jordan ((a), (b)(i) to (v)), Kenya, Republic of Korea ((a), (b)(i) to (v) and (c)), Kuwait, Lebanon ((b)(iii)), Lithuania ((a), (b)(i) to (v) and (c)), Malaysia, Mali, Malta ((a), (b)(i) to (v) and (c)), Mauritius ((a), (b)(i) to (v) and (c)), Mexico, Republic of Moldova ((a), (b)(ii) to (v) and (c)), Morocco ((a), (b)(i) to (v) and (c)), Namibia, Nepal ((a), (b)(i) to (v) and (c)), Nicaragua, Norway, Oman ((a), (b)(i) to (v) and (c)), Panama, Peru ((a), (b)(i) to (v)

and (c)), Philippines, Poland, Qatar ((a)), Romania, Russian Federation ((a), (b)(i) to (v) and (c)), Saint Kitts and Nevis ((a), (b)(i) to (v) and (c)), Saint Lucia ((a), (b)(i) to (v) and (c)), Senegal ((a), (b)(i) to (v) and (c)), Slovakia, Slovenia, Spain, Sri Lanka ((a), (b)(i) to (v) and (c)), Swaziland ((a), (b)(i) to (v) and (c)), Switzerland ((a) and (b)), Syrian Arab Republic ((a) and (c)), Tajikistan ((a), (b)(i) to (v) and (c)), United Republic of Tanzania, Thailand, Togo ((a), (b)(i) to (v) and (c)), Trinidad and Tobago ((a), (b)(i) to (v) and (c)), Tunisia ((a), (b) (i) to (v) and (c)), Turkey ((a), (b)(i) to (v) and (c)), Ukraine ((a), (b)(i) to (v) and (c)), United Arab Emirates ((a), (b)(i) to (v) and (c)), United Kingdom ((a), (b)(i) to (v) and (c)), United States, Uruguay ((a), (b)(i) to (v) and (c)), Venezuela ((a), (b)(i) to (v) and (c)), Zimbabwe ((a), (b)(i) to (v) and (c)).

Negative: Algeria, Austria ((b)(vi)), Azerbaijan ((b)(vi)), Brazil ((b)(iv) and (vi)), Cameroon ((b)(vi)), Colombia ((b)(vi)), Croatia ((b)(ii)), Cuba ((b)(vi)), Estonia ((b)(vi)), Italy ((b)(vi)), Republic of Korea ((b)(vi)), Malta ((b)(vi)), Peru ((b)(vi)), Senegal ((b)(vi)), Sri Lanka ((b)(vi)), Turkey ((b)(vi)), United Kingdom ((b)(vi)), Uruguay ((b)(vi)), Venezuela ((b)(vi)), Zimbabwe ((b)(vi)).

Other: Belgium ((b)(vi)), China ((b)(vi)), Germany ((a)), Israel ((b)(vi)), Jamaica ((b)(v) and (c)), Lebanon ((a), (b)(i), (ii), (iv) to (vi) and (c)), Portugal, Switzerland ((c)).

Argentina. (b)(iv) Special attention should be given to the establishment of cooperative alliances within regional economic blocs (e.g. the Common Market of the Southern Cone (Mercosur)). (v) Support the activities of the ICA. (vi) Dissemination of information on successful projects, enhancement of business opportunities. (c) Creation of databases.

Austria. BfT: (a), (b)(i) to (v) and (c) Yes.
LuFAS: (a), (b)(ii) and (v) Yes. (b)(i), (iii) and (iv), No.
PKLK: (a), (b)(i) to (v) and (c) Yes.

Azerbaijan. (a) The recommendation should be addressed first and foremost not to the members of cooperatives but to cooperative organizations, unions and federations. (b)(vi) No, create favourable conditions and incentives for highly developed cooperatives to ensure that they directly assist and participate in cooperative development and open up branches in the developing countries.

Bahamas. (c) To establish linkages.

Barbados. (b)(vi) Propagate information on successes of cooperatives by means of educational programmes in the international news media.
BWU: (a) Cooperatives need to take control of their own destiny and realize that they are in effect each other's keepers in order to survive and to show others the power they can achieve if they use the cooperative spirit for common goals. (b)(ii) Resources should be combined towards common goals, possibly using copyright, with incentives for the organization. (iii) Member organizations can put aside funds according to their size in order to achieve this. This would show others the impact cooperatives could have on the economy. (iv) Integration promotes development and should be encouraged. (v) This is the only way cooperatives can grow and not lose sight of their core values.

Brazil. (a) Exchanging information about successful experience will serve as a paradigm for other sets of circumstances. (b)(i) This is essential for sharing experience and ensuring the healthy development of any cooperative system. (ii) Exchanging specialized materials on the

sector enhances knowledge of the subject. (iii) This is important since it will provide easy access to information. (iv) This decision must be taken by the sector itself. (v) This is fundamental for avoiding any distortion of cooperative values. (c) This will enhance the cooperative system's efficiency and effectiveness.

CNC: (a), (b) and (c) Yes, should the instrument adopted be a Recommendation.

OCB: (b)(iv) Yes.

Bulgaria. (a) This is essential in the context of globalization. (b)(i) This would make it possible to follow world trends in developing a cooperative movement. (ii) This is necessary to promote training that meets contemporary standards. (iii) This would assist cooperatives in their activities and enhance their productivity. (iv) This is very important for cooperatives. (v) This is of crucial importance for cooperatives. (vi) Creation of an international fund to support cooperatives; establishment with the EU of specific programmes to resolve problems of cooperatives in Eastern Europe. (c) This would ensure that cooperatives would not lag behind other types of enterprise in their development.

Burkina Faso. (a) This could help cooperatives find fulfilling jobs for their members. (b)(i) This should be done through coordinated programmes with the participation of all the partners. (iv) Through exchanges of qualified personnel and exchanges of goods and services between cooperatives. (c) This should be encouraged through every means so that as many countries as possible can benefit from the experience acquired.

CNPB: (a) This would enable progress to be made without repeating others' mistakes. (b)(i) to (vi) and (c) Yes, for the same reason as that given under 20(a). (b)(iv) North-South cooperation. (vi) Establish commercial linkages (between production and consumer cooperatives). (c) So as not to be left out of the globalization process.

Canada. (a) It should also go further and specify the role of particular organizations such as the ILO and ICA in facilitating this. (b)(vi) Promote equitable trade by linking up producing countries to consumer countries. (c) Particularly through the national cooperative association and the ICA.

Chad. (b)(vi) Activities that are not illegal and which contribute to the life of cooperatives. (c) In today's shrinking world information is essential to the development of any structure furthering development.

CST: (a) and (b) (i) to (v) Yes. (c) This is a prerequisite for sound cooperative development.

China. (b)(vi) Economic and trade cooperation between cooperatives.

Costa Rica. (a) to (c) The instrument should refer to experiments such as the Mondragón cooperatives in Spain and the specific case of Israel. It should recommend that governments support and facilitate the use of the Internet for cooperatives. (b)(vi) Include a clause (vii) providing for framework legislation to serve as a basis for updating national laws.

Croatia. SSSH: (b)(ii) Yes.

URSH: (b)(ii) Yes. Especially on a regional basis. (vi) Encourage environmentally friendly working methods and skills that are part of the local cultural heritage.

Czech Republic. (b)(iv) Exchange of experience in legislation.

Employers' organizations: (b)(vi) No.

Workers' organizations: (b)(vi) No.

Denmark. FDC: (a), (b)(i) to (v) and (c) Yes.

Egypt. (a) This is necessary to reduce unemployment. (b)(i) In order to promote this sector. (v) In order to achieve the principle of equality between sectors. (vi) Cooperation between

cooperatives and local Arab and international trade union organizations as well as employers' organizations. (c) For the promotion of this sector.

ETUF: (b)(vi) Promote cooperation between cooperatives and regional and international workers' organizations.

El Salvador. (a) To standardize criteria. (b)(i) Promote study grants to stimulate such exchanges. (ii) In order to strengthen and positively influence the development of cooperatives. (iii) Creating specialized libraries. (iv) To consolidate markets and cooperative institutions themselves.

Estonia. EAKL: Yes. (b)(vi) Exchange experience.

Finland. (b)(vi) Other activities could be useful in creating an enabling environment.

France. CFDT: (a), (b)(i) to (vi) and (c) Yes.

GNC: The cooperative is, first and foremost, a means of mobilizing local competencies and resources. While globalization compels cooperatives to participate in international exchanges, the initiative should be left to the cooperatives themselves, and recommendations in this area would not make a relevant contribution. This is clear from current experience. Nevertheless, encouragement should be given to exchanges of ideas and experience within international structures that exist to develop and promote cooperative principles.

Germany. (a) This already exists in Germany, but cooperative self-help should be boosted.
BDA: (vi) No.

Ghana. (a) To enhance economic and social progress of members and their communities. (b)(i) To acquire knowledge, exposure to different ideas. (ii) To enhance human resources development. (iii) To facilitate transnational exchange of ideas and information. (iv) To enhance networking and cooperation. (v) To strengthen and promote the growth of the cooperative movement. (c) To enhance the acquisition of information and keep abreast of issues and trends.

GEA: (a) and (b)(i) Dissemination of information and experience on all aspects of cooperative development, resources and statistics would be an asset. (vi) Through various specialized organizations within international cooperatives, exchanges of data and information on cooperatives, market information, technology, product standards, rules and regulations governing cooperative enterprise, cooperative personnel, ideas and training materials.

TUC: (b)(i) To foster good relations among these bodies.

Greece. PASEGES: (a) to (c) Yes.

Guyana. (a) This would strengthen the movement. (b)(i) to (v) This is an absolute necessity if cooperatives are to flourish. (vi) Meeting on a regular basis at all levels. (c) Cooperatives must benefit from legislation and whatever information is available to enhance production and productivity.

Indonesia. (a) Lessons learned from successful experience of international best practice may be replicated or utilized for cooperative development. (b)(i) Increasing human resources development and experience. (ii) All of these can be used for the improvement of existing materials and methodologies. (iii) They should be more intensively utilized, especially by national-level cooperatives. (iv) These initiatives can stimulate business partnerships that benefit both parties. (v) As the cooperative movement has agreed upon cooperative values and principles as stated by the ICA, all members of the ICA must be committed to promoting and protecting these. (c) For expanding networking among cooperatives worldwide.

Employers' organizations: (c) Communication is essential to improving conditions.

Israel. (b)(vi) International legislation on cooperative matters and binding treaties.

Italy. (a), (b)(i) to (iii) Although very important in themselves, these objectives are secondary in countries where cooperative principles are still being promoted, developed and made known.

Japan. (a) to (c) These measures would be effective for the promotion of cooperatives.

Jordan. ACI: (b)(i) Exchange of experts only, not personnel in general; exchange of views, for greater benefits.
FJCC: (b)(vi) No.
GFJTU: (b)(v) No.

Kenya. (b)(vi) According to the needs of individual cooperatives, e.g. funding and provision of technical expertise through cooperation. (c) Give their products a competitive edge on the market.

Lebanon. (a) The exchange of information is useful, particularly if it is based on successful experience, even if its application differs from one State to another, in the light of circumstances that are specific to each State. (b)(i) Promoting the exchange of views is fine, but the exchange of personnel is linked to the national employment policy of each State. (ii) This is excellent; it is important that such materials are applicable by the recipient. (iv) and (v) Within the framework of the laws in force. (vi) Organization of meetings and seminars at the international level involving people working in the area of cooperatives, whether from state administrations, employers' or workers' organizations or cooperative associations, to examine matters related to cooperative activities, how to promote them, and to review their weak and strong points. (c) This is a priority in international cooperation.
NFC: (a) Yes. (b)(iii) to (v) Yes. (c) Yes, this subparagraph, in addition to the above, is considered fundamental for the productive cooperative movement, support in achieving their objectives is the best means to increase cooperatives' effectiveness and enhance their protection and competitiveness on the market in order to provide the best services to their members and the public. The exchange of cooperative products and boosting cooperative trade would help strengthen and develop cooperative activities and stability in the service of the public.

Malaysia. (a) This will provide mutuality in the exchange of information on best practice. (b)(ii) Cooperatives of different countries should exchange educational ideas. (iii) This will help to unite cooperatives throughout the world in research and development studies on cooperatives. (iv) Such arrangements can help to promote international cooperative banking, trade, information technology and others. (v) Cooperatives can provide training facilities as a marketing centre in the region.
MEF: (a) Dissemination of such information will help the cooperatives to learn further. (b)(vi) Activities which generate revenue.
ANGKASA: (b)(vi) No.

Mali. (a) Set up a data bank. (b)(ii) Set up cooperative networks. (iii) Establish a data bank. (iv) Establish networks by production chain of goods and services. (v) Safeguard the cooperative identity. (vi) Support for decentralized local communities through community projects. (c) Set up an information system on the cooperative market.

Malta. (b)(ii) Preferably using the Internet. (v) Through best practice.
GWU: (a), (b)(i) to (v) and (c) On condition that such initiatives do not create a large public bureaucracy. (vi) Regional networks.
AOC: (b)(ii) Through the use of information technology and the Internet.

Mauritius. (a) and (b)(i) However, this already forms part of ICA policy. (ii) Already done by cooperatives through the ICA. (iii) Already done by the apex organizations through ICA support. (iv) This is done by cooperatives on their own. (v) Done by the ICA at the international

level and apex organizations at the national level. (c) Done by the specialized bodies of the ICA.

Mexico. (a) There needs to be an exchange of information between national cooperative movements, the ICA and the ILO. (b)(i) In order to broaden the long-term vision with regard to the management and development of the cooperative system. (ii) and (iii) This would help to improve the performance of cooperatives. (iv), (v) and (c) Through formal agreements with the cooperative systems of other countries. (vi) International conferences and seminars on cooperative issues.

Morocco. ODC. (b)(i) In order to draw on the experience of successful cooperatives. (iv) Yes, in order to strengthen the position of cooperatives and enable them to join forces to meet the challenges of globalization. (v) Yes, in order to protect the unique characteristics of the cooperative sector. (c) Yes, in order to keep pace with world developments and thus improve the productivity of local cooperatives in economic and social terms.

Oman. (b)(iv) In the framework of existing economic blocs, but without forming new alliances, and to the extent allowed by local regulations.

Panama. (a) By establishing permanent systems for the exchange of information through computerized networks, congresses and national and international seminars. (b)(i) By promoting internships, competitions and the preparation of projects. (ii) By establishing publishing houses, documentation centres and networks for the exchange of materials through Internet sites and e-mail. (iii) Through national and international inventories of research material and data on cooperatives, preparation of a database and a cooperative bibliography. (iv) Establish alliances and international associations between cooperatives by sector, service and areas of activity. (v) By means of publications and educational activities for cooperative members and the community as a whole. (vi) Competitions for children, young persons and schoolchildren and various sectors of the national and international community. (c) Access to national and international data is essential to the development of cooperatives. The ILO could create a specialized unit in this respect to assist cooperatives.

CACPYMER. (a) There is no other more effective and rapid way of achieving these goals. (b)(i) This is a special approach in cooperative training. (ii) This is also a means of strengthening the cooperative movement. (iii) There should be openness in this area. (v) This is the cornerstone of the philosophy of the cooperative movement. (c) This would lay the foundations of national plans and projects on cooperatives in order to achieve sustainable development.

Philippines. (b)(vi) International trade.

Russian Federation. (a) Regular exchanges of information on successful programmes for job creation and/or providing additional benefits to cooperative members. (b)(i) Promotion of joint international technical cooperation programmes aimed at developing national cooperatives. (ii) Regular exchange of training and educational materials with the assistance of the appropriate international training centres and involving national cooperative training institutions with a view to improving training programmes. (iii) Also participate in joint research with partner organizations including the ICA, COPAC and the International Committee for the Promotion of Enterprise. (iv) To strengthen partnership links between cooperatives, encourage the formation of associations of sector cooperatives within the framework of existing international organizations (e.g. specialized organizations of the ICA). (v) Providing national governments with consultative services on matters of cooperative policy, lobbying on behalf of cooperative organizations. (c) Through an electronic communications network, seminars, consultations.

Slovakia. (a) to (b)(v) This is the essential cooperative principle. (b)(vi) According to the needs of cooperatives. (c) To ensure their equal development.

Spain. (b)(vi) Participation in technical cooperation projects in developing countries and countries in transition.

CCOO: (vi) No.
CIG: (i) to (v) Yes.

Sri Lanka. MCD: (b)(vi) Yes.

Switzerland. (a) and (b) Yes, but only if absolutely necessary. (c) Access to data is already provided with regard to legislation. There is no difference based on the legal form of the enterprise.

UPS. International cooperation is a matter of choice for the organizations concerned; it is not the State's role to facilitate it.

Syrian Arab Republic. (a) This would help cooperatives in the implementation of this instrument, and achieve the ILO's objective in formulating it. (c) Information on cooperatives should not be restricted to a particular country but should be available to all.

Tajikistan. (b)(v) Cooperatives can be diverse in their activities.

Thailand. (b)(vi) Support the recognition by international forums of the role and rights of cooperatives, to promote trade and investment among cooperatives, and encourage cooperatives to participate in world trade forums such as the World Trade Organization (WTO).

Togo. (a) Recommend greater possibilities of exchange and information on policies and programmes aimed at the creation of jobs and incomes. (b)(i) The exchange of experience is in the interests of the development of cooperatives. (ii) All forms of exchange can contribute to universal knowledge.

Trinidad and Tobago. (a) This information will help organizations advance on the learning curve. (b)(i) and (ii) This would promote common universal standards and practices and expand the knowledge base of cooperative personnel. (c) This will help cooperatives keep informed of the latest developments. This information could then be used by individual cooperatives to develop strategies for success.

CCUL. (b)(vi) Where they will advance the cause of cooperatives.

Tunisia. (a) Given that solidarity and mutual assistance are the linchpin of the cooperative movement.

Ukraine. (a) In order to boost employment. (c) Information technology should be available within the limits of the market.

United Arab Emirates. FCCI: (b)(vi) No.

United Kingdom. (a) to (b)(iv) and (c) Through the ICA. (b)(v) Through the ICA, which already does much of the above.

Since almost all the replies were affirmative, the provision has been included as *Point 19* in the Proposed Conclusions.

PROPOSED CONCLUSIONS

The following Proposed Conclusions have been prepared on the basis of the replies summarized and commented upon in this report. They have been drafted in the usual form and are intended to serve as a basis for discussion by the International Labour Conference of the fifth item on the agenda of the 89th Session (2001).

A. Form of the instrument

1. The International Labour Conference should adopt an instrument on the promotion of cooperatives.

2. The instrument should take the form of a Recommendation.

B. Preamble

3. The instrument should contain a preamble referring to relevant ILO instruments which might include the following: the Employment Policy Convention, 1964, and Employment Policy (Supplementary Provisions) Recommendation, 1984; the Rural Workers' Organisations Convention and Recommendation, 1975; the Human Resources Development Convention and Recommendation, 1975; and the Job Creation in Small and Medium-sized Enterprises Recommendation, 1998.

C. Objective, scope and definition

4. Members should adopt measures to promote the potential of cooperatives, in all countries, irrespective of their level of development, to assist their membership to:

(a) create employment and expand access to income-generating activities;

(b) develop their business potential, including entrepreneurial and managerial capacities, through education and training;

(c) increase savings and investment; and

(d) improve social well-being, with emphasis on gender equality, housing, health care and community development.

5. The instrument should apply to all types and forms of cooperatives, both worker- and client-owned, and to all economic and social sectors, such as rural and urban, primary, secondary and tertiary, formal and informal, in which cooperatives operate.

6. The instrument should define "cooperative" as "an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the enterprise in which the members actively participate".

7. The instrument should encourage the promotion and strengthening of the identity of cooperatives based upon the following cooperative principles:

(a) voluntary and open membership;

(b) democratic member control;

(c) member economic participation;

(d) autonomy and independence;

(e) education, training and information;

(f) cooperation among cooperatives; and

(g) concern for community.

8. The instrument should encourage the adoption of measures enabling cooperatives, like any other form of enterprise and organization, to respond to the needs of disadvantaged groups.

D. Role of governments, employers' and workers' organizations and cooperative organizations and relationship between them

9. Members should limit the role of governments to the regulation of cooperatives as follows:

(a) the establishment of a policy and legal framework based on the cooperative principles listed in Point 7;

(b) the establishment of an institutional framework allowing for registration of cooperatives in a rapid and simplified manner;

(c) the establishment of a policy and legal framework for the promotion of a vertical cooperative structure, according to the needs of cooperative members; and

(d) the adoption of measures for the oversight of cooperatives on equal terms to those applied to other forms of enterprise.

10. Employers' organizations should be encouraged to:

(a) extend membership to cooperatives wishing to join them and provide appropriate support services such as:

(i) the exchange of experience and establishment of commercial linkages between cooperatives and other forms of enterprise;

(ii) the establishment of programmes for cooperatives aimed at improving productivity, product and service quality and access to market opportunities; and

(iii) their participation in studies on social and labour market issues of interest to cooperatives.

(b) assist their members in enabling their employees to create consumer, savings and credit and housing cooperatives; and

(c) carry out other activities for the promotion of cooperatives, including in the informal sector.

11. Workers' organizations should be encouraged to:

(a) advise their members to establish cooperatives with the special aim of facilitating access to basic consumer goods, loans, housing and social services;

(b) promote the establishment of cooperatives in the informal sector in order to improve the competitiveness of micro-enterprises and to organize social services;

(c) participate in committees and working groups at the national and local levels to consider economic and social issues having an impact on cooperatives;

(d) participate in the setting up of new cooperatives with a view to the creation or maintenance of employment, for example in the case of the conversion of enterprises in the private and public sectors;

(e) participate in programmes for cooperatives aimed at improving productivity and equality of opportunity; and

(f) carry out other activities for the promotion of cooperatives.

12. Cooperative organizations, and in particular their unions and federations, should be encouraged to:

(a) establish an active partnership with employers' and workers' organizations and relevant governmental and non-governmental agencies with a view to creating a favourable climate for the development of cooperatives;

(b) finance and manage their own technical support services, including, where feasible, management consultancy, human resource development and external audit;

(c) furnish commercial and financial services to affiliated cooperatives;

(d) represent the national cooperative movement at the international level; and

(e) carry out other activities for the promotion of cooperatives, including in the informal sector.

E. Policy framework

13. (1) Members should consider the promotion of cooperatives based on the principles set forth in Point 7 as one of the objectives of national economic and social development.

(2) Members should treat cooperatives on terms not less favourable than those accorded to other forms of enterprise and social organization. However, special

consideration may be given to the needs of members of disadvantaged groups organized in cooperatives.

14. (1) Members' policies should, inter alia:

(a) facilitate access to credit for cooperatives;

(b) promote education in cooperative principles and practices;

(c) develop the technical and managerial abilities of both members and managers;

(d) disseminate information on cooperatives;

(e) improve the level of productivity of cooperatives and the quality of goods and services they produce;

(f) facilitate access of cooperatives to markets; and

(g) improve national statistics on cooperatives with a view to the formulation and implementation of development policies.

(2) Such policies should:

(a) decentralize to the regional and local levels, where possible, the formulation and implementation of policies and regulations regarding cooperatives; and

(b) limit the legal obligations on cooperatives to areas such as registration, audit, the receipt of licences and the establishment of business reports to the same extent as is required by national law of any other form of enterprise.

F. Implementation of policies for the promotion of cooperatives

15. (1) Members should adopt specific legislation on cooperatives and periodically revise such legislation.

(2) Such legislation should recognize explicitly the cooperative principles listed in Point 7.

(3) Members should consult cooperative organizations, as well as the employers' and workers' organizations concerned, in the formulation and revision of relevant cooperative legislation.

16. (1) Cooperatives should have access to support services in order to strengthen their business viability and their capacity to create employment and income.

(2) These services should include the following:

(a) training programmes for the improvement of the entrepreneurial capabilities of members, managers and employees of cooperatives;

(b) research and management consultancy services;

(c) access to finance and investment;

(d) accountancy and external audit;

(e) management information services;

(f) information and public relations services;

(g) consultancy services on technology and innovation;

(h) legal and taxation services; and

(i) other services as required by cooperatives operating in specific economic sectors.

(3) Support services should, where feasible and appropriate, be financed by co-operatives and their organizations.

17. Members should adopt measures to facilitate the access of cooperatives to investment finance and credit. Specific measures should:

(a) enable credit and other financial facilities to be offered, as far as possible under market conditions;

(b) simplify administrative procedures, remedy the low level of cooperative assets and reduce the cost of loan transactions;

(c) facilitate an autonomous system of finance for cooperatives, including savings and credit, banking and insurance cooperatives; and

(d) include special provisions for disadvantaged groups.

18. For the promotion of the cooperative movement, Members should create conditions favourable to the development of technical, commercial and financial linkages among all forms of cooperatives in order to encourage an exchange of experience and the sharing of risks and benefits.

G. International cooperation

19. Members should take appropriate measures to facilitate international co-operation through:

(a) the exchange of information on policies and programmes which have proved to be effective in employment creation and income generation for members of cooperatives;

(b) the encouragement and promotion of linkages between national and international bodies and institutions involved in the development of cooperatives in order to permit:

(i) the exchange of personnel and ideas, of educational or training materials, methodologies and reference materials;

(ii) the compilation and utilization of research material and other data on co-operatives and their development;

(iii) the establishment of alliances and international partnerships between co-operatives; and

(iv) the promotion and protection of cooperative values and principles;

(c) access of cooperatives to national and international data such as market information, legislation, training methods and techniques, technology and product standards.

INTERNATIONAL LABOUR OFFICE
BUREAU INTERNATIONAL DU TRAVAIL
OFICINA INTERNACIONAL DEL TRABAJO
CH-1211 GENÈVE 22

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